Back the Attack!

Buy Victory Bonds

Top-of-World Airlines Now Operating (p. 9)

THE FINANCIAL POST

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Vol. XXXVII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MAY 15, 1943 10c a Copy: $5.00 a Year No. 20

The Nation's Business

Manpower Showdown Is Now Imminent

In his far-sighted but ill-fated memorandum on manpower last fall, Elliott M. Little warned bluntly that Canada had "still a few months of grace before the situation becomes unmanageable." It now appears that the "days of grace" have come to an end.

Canada is shortly to be put to the test as to the efficacy of her jerry-built manpower machinery and organization.

As reported elsewhere in this issue, the apparent manpower needs of the Army are not now being met. In addition, the vast new program on which war production industry is now to embark will demand as great, if not a considerably greater, number of trained and skilled workers than anything we have tackled heretofore. In addition, needs of the primary industries (industries on which much of this army and supply program is predicated) are still far in excess of the amount of available manpower.

What seems now inevitable and imminent is (to quote our Ottawa correspondent) a "nationwide and continuing manpower shortage of the type which loomed momentarily on the horizon last autumn."

How are we prepared to face this crisis?

In respect of farm manpower, the seriousness of the manpower shortage won't be known until it is too late—too late to plant crops, garner harvests, etc. In other primary industries, we know that we are losing most urgently needed production every day—that vital metal is not being mined; that a dire coal shortage impends; that timber is not being produced. And this, despite the fact that in recent months we have been diverting manpower into these fields at the expense of the armed forces and war industry.

SHORTAGES NOW PILING UP

Now all these shortages threaten to pile up on top of one another—and at a time when there is another urgent manpower problem on our hands—the transfer of thousands of workers from one kind of war job to another.

What is required to give Canadians confidence that the Government is willing or able to meet this problem?

1. A clear statement of official policy. So far this is lacking and we have even heard high-ranking cabinet ministers disagreeing publicly as to the proper national priority and policy which should be adopted as between the needs of the services, war industry, food production, etc.

2. A much stronger and more competent administrative organization in the Department of Labor with more men of outstanding administrative ability who would get and assume responsibility. National Selective Service offices must be put on a wartime emergency, rather than a civil service, basis.

3. Rapid and increased application of the principle of compulsory transfer which is already long overdue and which, to date, has been applied only to a small fraction of workers in the lowest priority "nonessential" industries.

* * *

ADVICE FOR THE SMART INVESTORS

A hoary aphorism got a sock in the jaw from Emil Schram, President of the New York Stock Exchange, recently speaking in Los Angeles. He said in part:

> "I hope that no one is foolish enough to buy stocks as an inflation hedge. Investment in common stocks, as I see it, is sound only to the extent that inflation is controlled or avoided. Nothing that is bad for the economy of this nation is good for common stocks, and anything that is good for America is good for the shares in American industry. Sound values in business rest on a healthy national life and nothing else. If you think inflation is inevitable, don't reason that you can escape its ruinous results by putting your funds into the stock market. In the event of inflation, American corporations will suffer along with the American people."

In recent years, and especially months, there has been much scurrying about by some people getting their money into this and that tangible or equity. They were going to be the "smart" investors with a safe and comfortable private raft for themselves when inflationary storms brought shipwreck to lesser mortals.

The best way of contributing to our own future welfare is to contribute to the future welfare of our nation. And right now the best opportunity of doing that is buying and holding our full share of Victory Bonds.

* * *

SOBERING AND PROPHETIC FACTS

The report just issued on the work of the national and regional war labor boards makes a very sobering picture.

Those figures show that one and a half million Canadians have been granted pay increases representing an increase of some $51 millions a year.

By themselves these figures leave basic questions unanswered. Is the upward pressure on wages increasing or decreasing? Did more or fewer wage boosts go through in the past month than, say, six months ago?

This score on wage increases covers only those increases which went through the labor board machinery since its inception early in 1942. It includes some necessary corrections of wage anomalies between industries in the same communities.

But notwithstanding these limitations, the wage increase report shows clearly that if the national wage bill has increased to this extent in spite of the wage control machinery, a clear break-through of the wage ceiling such as capitulation to demands of the steel workers would only result in rapid and disastrous deterioration of our whole wage and price control.

PRICE, WAGE CONTROL GO TOGETHER

Like the two blades of a pair of scissors, wage control and price control must, for the success of either or for achieving any result, be applied together and with equal vigor and determination.

The price control organization can work with all the will, determination and wisdom in the world, put every citizen to multitudinous inconveniences—but all to no result unless the wage control organization does likewise.

But under our present set up, there is no direct co-ordination of policy between the two. Donald Gordon of price control, has nothing whatever to do with wage control. The only possible place where any co-ordination of the two policies could now be achieved is in the Cabinet.

This means that the command of our anti-inflation weapon is divided. Worse still, it means that we have what is basically an economic problem handled not by administrators at the administrative level but by politicians at the political level.

Two things are needed: A wage administration with determination to do a courageous job and, even at this very late date, a determination to get our whole manpower policy on a reasonable and logical basis. Second, some means of providing closer co-ordination between wage and price administrations.

Production Shift Brings New Manpower Crisis

By STAFF WRITER

OTTAWA. — The Government is heading into a showdown on manpower policy. At least two or three ministers have speeches ready to deliver if anyone raises the manpower shortage alarm. But these unpleasant facts can no longer be disguised:

1. Manpower intake into the Army is falling below presumed needs.
2. War industry is again becoming a net "consumer" of manpower.
3. Primary industries — lumbering, base metals, coal mining, farming —are considerably below their needed manpower strength.

Manpower intake into the army has been reportedly deteriorating in recent weeks and months. Instead of a projected 17,000 or 18,000 a month, the current intake is said to have dropped to around 10,000. There are reports that a new bracket of married men will shortly be called up and apparently the harvest which NSS expected to reap from rounding up delinquents, re-examining men turned down by civilian doctors, etc., has failed to materialize. Is this because the men aren't there or because of lack of proper enforcement? Parliament will likely want to know.

So far the Army has not, apparently, demanded a showdown, though Colonel Ralston is understood to have made protests.

There is believed to be strong Cabinet opposition to a program which would enlist 15,000 or 20,000 men a month for the Army under present circumstances.

According to Mr. King there are about 190,000 Canadian soldiers overseas; 180,000 on active service but stationed in Canada; about 60,000 home defense troops. The Army has apparently been content to take what men were offered and overlook its "theoretical" needs.

Situation Changed

Now, however, two factors indicate an important change in the situation:

(1) Battle action by Canadian troops overseas seems imminent.

(2) Canada's over-all manpower shortage is again becoming critically taut, which means that unless highly important decisions are made, even the present small intake into the Army is due to dwindle.

These decisions undoubtedly involve the disposition of the 240,000 men now stationed in Canada; the extent to which older age groups of married men can be called up without a much more rigid over-all manpower policy to prevent loss of essential foodstuffs and war production; the extension of the Government's belated decision to introduce compulsory transfer.

The next critical factor is the continued and increasing demand for manpower on the part of war industry.

In recent months seasonal factors and plant layoffs due to change in war tempo and demand, have retarded the manpower needs of war industry. Within the past few days important and far-reaching decisions have been made which indicate that, despite local and temporary pockets of "unemployment," the over-all demand for workers on the part of war industry will actually increase between now and the end of the year.

New Shortage

In short, it now appears that very soon not only the armed services but war industry may shortly be again in feverish competition for able-bodied manpower — competition which will be all the more intense because of the number of men required for and presently frozen in farms, mines and other primary industries.

Very important aspect of the new situation in war industry is that the shift to other types of war material and weapons will require a large number of highly skilled workers.

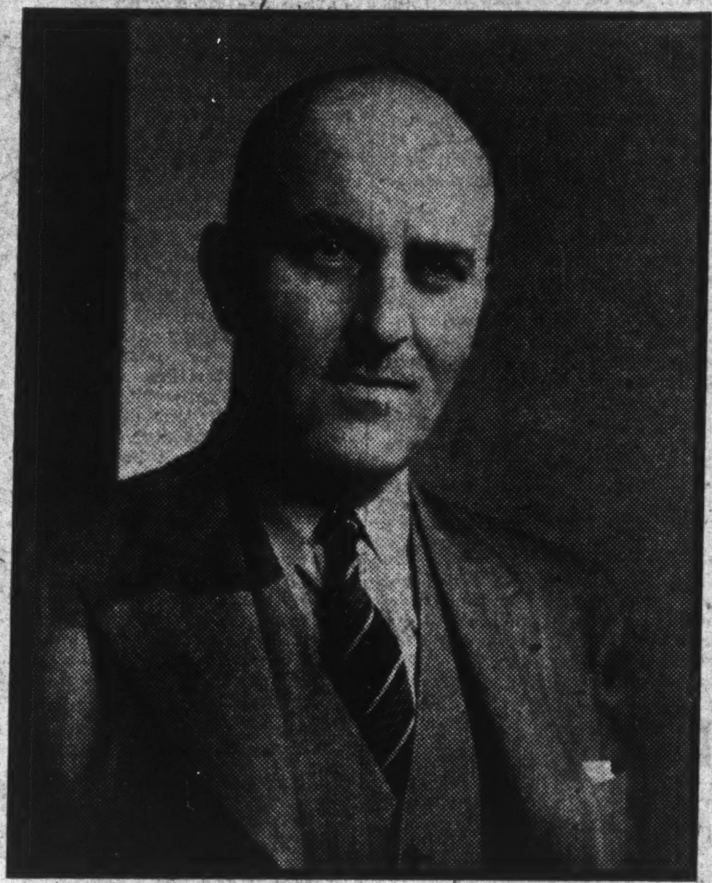
Canada is now going out of production of many of the things that could be done by young or unskilled help. The new demand is to an important degree for men and women with a high degree of skill and training.

One obvious solution is a very great acceleration of the program of compulsory transfer. At present this touches only a small fraction of the number of men employed in low priority industries. More "double-shifts" are considered inevitable.

There is also the problem of reducing manpower wastage and effecting group transfers of employees from one war industry or plant to another.

What is shortly to be tested is not only the administrative machinery which has been set up at Ottawa to handle manpower problems, but also the willingness of the Cabinet to face the implications of a nationwide and continuing manpower shortage of the type which loomed momentarily on the horizon last autumn.

His Majesty's Shipbuilder



—Photo for The Financial Post by Karsh.

On loan from his peacetime job as assistant general manager of the Ontario Paper Co. at Thorold, Douglas W. Ambridge has taken on a big new wartime responsibility as Director General of Naval Shipbuilding. Mr. Ambridge came first to Ottawa in October, 1941, to assist D. A. Clarke, then in charge of naval shipbuilding. He stayed five months, was later named a director and subsequently vice-president of Polymer Corp. In recent months construction of the huge $45 millions synthetic rubber properties at Sarnia have been under his direction. He now replaces D. A. Clarke as boss of "naval" shipbuilding. His job excludes construction of cargo vessels and ship repairs, which remain under H. R. MacMillan and D. B. Carswell, respectively. Some more facts about Mr. Ambridge on page 6.

Canada Packers Head Answers Pouliot Charges

Neither Canada Packers Ltd., nor any other Canadian meat packing firm has sold meat to Russia and there are no negotiations pending which might lead to such a sale, J. S. McLean, president of Canada Packers, told The Financial Post.

He was asked for comment on charges made against him and his company by Jean-Francois Pouliot, member for Temiscouata, in the House of Commons.

Mr. McLean told The Post:

"I have never seen Mr. Pouliot and so far as I know he has never seen me. Of course, as everyone knows a private citizen or company is utterly helpless against slanders uttered within the walls of Parliament. Had these statements been made outside where the speaker would be accountable for what he said, he would have been quickly made to answer."

Mr. Pouliot charged that Mr. McLean's company "is selling rotten meat to Russia." He said: "It is the fact that Canada Packers has been found guilty of exploiting the Canadian people and have been fined by the courts."

He said: "When the price spreads committee was sitting, I told the members of the committee that that firm was using two methods of accounting, one for themselves and one for the public at large."

All cases brought against Canada Packers Ltd. for violations of regulations of the Wartime Prices and Trade Board have been quashed by the appeal judge, Mr. McLean pointed out, adding that no further cases are pending against the company.

The original convictions were made on five cases and fines totalling $7,000 levied at the first hearing in Quebec City, but all five cases have now been quashed. The appeal judge, Mr. McLean declared,

(Continued on page 2, col. 2)

Elson from Washington

Far East Attack the Topic?

By ROBERT T. ELSON

● What is on the Churchill-Roosevelt agenda this time? European invasion or invasions hold the spotlight in current speculation, but the record of past meetings between these two shows that they have usually been concerned not with the next move, but two or three moves ahead. This is good chess and good strategy and President and Prime Minister have proved themselves A-1 strategists.

Good bet therefore is that the Pacific figures largely in these current discussions and the opening of the Mediterranean will speed the offensive in Burma by shortening the supply routes.

At the same time they may pick the generalissimo for the European theatre. A year ago, when Churchill was here, McNaughton's name was high on the list. Now he is given only an outside chance. Main reason seems to be men like Eisenhower, Alexander, Montgomery have more experience in current operations.

Churchill and Roosevelt had planned to meet within nine months of Casablanca, but new and favorable opportunities opened up by the North African victories are believed to have speeded their meeting.

On one point informed sources are emphatic. They say we're not in the "1918 phase" of the war against Germany. Victory in North Africa was won by overwhelming numbers, superior equipment and better quality manpower, but it does not mean that Germany can't mount a big offensive against Russia and at the same time deploy well-equipped veteran troops against any Anglo-Canadian-American landing. Reports from North Africa indicate in final days there Luftwaffe declined battle and Hitler deliberately sacrificed his desert army plus the reinforcements flown in from Italy rather than exhaust his aerial reserve.

● Although the main problem is to ease the terrific strain on Russian manpower, certain evidence comes to light in connection with Canada's association in the third Russian supply protocol, now being negotiated here, that shows the Soviet industrial plant is still intact. Canada's contribution to Russia under the protocol probably will be in the form of food, raw materials, like nickel and especially aluminum, and high explosives rather than combat weapons. The Russians are satisfied they can produce their own military equipment, given supplies to do it.

- **Are President and Premier Discussing War in Far East?**
- **Russia Needs Food, Metals and Explosives From Canada**
- **Nelson Again Under Fire in "Battle of Washington"**

Main categories in which Russian requirements, as indicated by Lend-Lease shipments, and the negotiations to date on the protocol, follow:

First: Food has top priority on shipments because U.S.S.R. is suffering an acute shortage of protein and fats, vital energy-producing foods. Principal tonnages recently shipped included wheat, wheat flour, sugar, canned meats, dried vegetables, lard, vegetable oils. Canada can supply wheat and wheat flour.

Second: The Russians are asking for industrial equipment — machine tools—raw materials such as aluminum and nickel. But aluminum seems to rate very high. Thus part of Canada's expanded capacity may be devoted to meeting Soviet needs. She is also asking steel and armor plate which will tighten the over-all steel picture.

Third: Under this category you can list such products as chemicals, toluol, TNT, trucks for transport purposes and jeeps. Canada has or will have surplus explosive capacity that can be used to meet Russian requirements.

It is believed the Soviet Union, now that she is turning to Canada for a greater proportion of indirect military requirements, would like to have a complete manual of Canadian industry. In view of the Soviet Union's extensive postwar needs it would be all to the advantage of Canadian manufacturers to speed production of such a catalogue to show the Russians they can do business with Canada, now and in the future.

● The battle of Washington has reopened with heavy critical fire

(Continued on page 2, col. 4)

New Output Blueprint Drawn

Drastic Shifts From Canada's Land Army Production—Over-all Program Expected to Expand

By KENNETH R. WILSON

OTTAWA.—Out of the battle scars of Tunis and Dieppe have come to Canadian industry a great tribute and a great challenge.

Within the past few days a complete new blueprint for Victory has been handed the managers of Canada's war production machine. It is an offensive blueprint. It plots our war production programme for 1944 and for the remainder of '43. It discards tens of millions of orders for defensive weapons and land army equipment placed initially after the dark days of Dunkirk. It discards also the peak production schedules for manufacture of other weapons still vital to Victory but which Canada has produced so swiftly and so well that their production is no longer needed. And the decision will not be altered by the Churchill-Roosevelt conferences.

The new Victory blueprint comes as a result of unified decision on the part of Allied leaders and in the face of widespread slashing of land army production schedules in all countries.

Only a few weeks ago, Canadian production officials received from the U. K. a long and highly disturbing list of cancellations—cancellations which cut into the heart of Canada's billion-dollar land army production program. Now, as a result of deliberations which started as far back as Casablanca and which came to a head (for Canada) in the past few weeks, this country has been asked to take on new and important responsibilities in the big United Nations Victory offensive program.

Canada's share in this new program is a direct tribute to the speed, efficiency and low cost of our war production record. It indicates that United Nation leaders have the utmost confidence in our ability to adapt present production facilities swiftly and effectively to the new tasks which lie ahead. For within this Victory blueprint lie both the challenge and the responsibility to switch—and switch fast—tens of thousands of workers and many millions of dollars of war plant facilities into other war production channels.

Although details may not be published for security reasons, highlights of the new Victory program may be summarized as follows:

1. This is the first time that the United Nations have together planned a completely unified, co-ordinated war production program. It follows the precedent of unified commands and unified operations on the fighting fronts.

It is a Victory program in that it is believed relatively few changes will be necessary from now on, even though the second European front has not been opened.

2. The new program is essentially offensive—combat planes, fighting ships and armament for fighting ships, self-propelled mounts for fighting guns, new offensive weapons, etc.

The program incorporates a multitude of lessons learned at great cost by the Canadians at Dieppe and by U. K. and U. S. forces in Africa and elsewhere.

3. Overall, the new program will cut Canadian production of land army equipment by at least one third. Some types of guns, ammunition, explosives etc., will be eliminated entirely but in many cases other new weapons will take their place.

Tank production, for instance, will disappear but the order for self-propelled mounts will be a third larger than the tank order it replaces.

4. Some of the reductions will be effective at once, others will permit present schedules to taper off gradually. Still others will merely eliminate projected peaks not yet reached.

For instance, in one of Canada's largest small arms plants two types of guns now being made will disappear entirely; production of a third type will no longer increase. Some workers will probably be shifted to another nearby small arms job and in all probability a new type of weapon not previously made in Canada may be undertaken.

For the most part it will be the

(Continued on page 2, col. 3)

New Arms Program

It seems certain now that production of Lancaster bombers by Canada will be doubled. Increased emphasis will also be placed on production of Mosquito bombers, dive bombers and other combat craft and their components.

Canada will also go "all out" in production of fighting naval craft and naval armament. Our production of minesweepers will probably be expanded. The cargo shipbuilding program will continue. Within recent months something over 20 "ways" have been turned from cargo to naval craft.

New types of guns will get into production. Cancellation of orders at Regina, Windsor and Montreal will probably be taken up largely if not entirely by new types of weapons, naval mountings and armament, etc.

There will be a considerable increase in manufacture of components not only for aircraft, naval vessels, etc., but also quite possibly for industrial equipment.

Production of mechanical transport will be continued.

U. S. Trade Act Held Essential For Postwar

By STAFF WRITER

OTTAWA.—Though U. S. Congressional action is strictly a "domestic" affair, there is the greatest possible unofficial interest here in current legislative argument at Washington over the fate of the Reciprocal Trade Agreement Act which expires June 12.

Both Cordell Hull and Sumner Welles have gone far out on a limb in urging the essentiality of this act as a basic essential step toward ensuring world peace in the postwar era. Speaking in Toledo on Saturday, Mr. Welles underscored the point by saying:

"Let there be no belittling of this issue. If the United States repudiates the Trade Agreements Act, either outright or by crippling amendments, if it thus repudiates the idea of economic non-aggression, it will have destroyed the stuff of which peace is made, it will have struck a heavy blow at the hopes of mankind for ridding this world of the scourge of war and for creating a just, a workable and a lasting peace."

General impression here is that voting on extension of the Trade Agreement Acts will be "nip and tuck" but that any expansion of present powers is out of the question. It seems likely that if a new act is approved it may be for only one and not three years as was the act which expires in a few weeks time.

Army Promotion Setup May Be In For Change

By STAFF WRITER

OTTAWA.—An attempt is being made to bring about a drastic and far-reaching change in the basis on which officers in the Army can be shifted from their jobs.

Under British and present Canadian practice there is little that can be done to make room for younger men unless the holder of an important job is "kicked upstairs."

What is intended apparently is to introduce into Army regulations a provision which will enable senior officers to use their judgment in advancing younger men to positions of responsibility and retiring older men without the stigma of an adverse report on their conduct or ability.

It is common business practice to retire or shift men from responsible positions without any stigma attaching to the move. What is hoped, apparently is to work out a plan which would give similar flexibility in the Army.

Expect No Cut In Farm Tools

By STAFF WRITER

OTTAWA. — Although the past few days have seen here and at Washington a drastic reduction in the amount of steel and other critical materials available for essential civilian production, there has been no change in the proposed increase in farm implement production.

Farm implement production is now definitely ranked alongside war priority in essentiality and the new and revised program calls for an over-all production of about 78% of 1940 output. This compares with a production ratio of only 25% in the original program.

Doubles Rate

The new allocation more than doubles even the higher rates of 35% agreed upon some weeks ago.

Apart from farm implements, other essential civilian production which had been looking forward to a better break in 1943 has been brought under the hammer. In many cases the hoped-for increases which had been under discussion have been cut back at least 30%.

Labor Hearing Briefs Call for Major Reforms

During the past week further important briefs have been presented to the National War Labor Board in connection with its enquiry on general labor conditions in Canada. Some of the proposals made would have a vital and far-reaching effect on worker-employer relations. Here are digests of the leading briefs:

CHAMBER OF COMMERCE BRIEF

The Canadian Chamber of Commerce, through its president, R. P. Jellett, stating that it represented some 150 Boards of Trade and Chambers of Commerce embracing around 24,000 individuals throughout Canada, presented these opinions in its brief.

Creation of a National Council on Labor Relations, codification of existing federal and provincial legislation and further educational work among both employees and employers recommended.

It is wrong to treat labor relations as if they were concerned only with avoiding strikes and dealing with wage demands. Moreover, labor should not be treated as a commodity.

Much more should be done by the government, by industry and by labor to explain necessity of price ceiling, for heavy taxation and for large internal debt as measures to spread fairly the heavy burdens of the war.

Enquiry undertaken by the Board should result in a clear enunciation of policy in a single code, easily understood and enforced and which, in effect, will promote good labor relations. It should lead to improvement in machinery to deal promptly with disputes and bring about a new realization of the identity of interests between labor and

(Continued on page 7)

Hat News FROM EATON'S

Lightweight! Casual!

Eatonia ZEPHYR

Built for extreme comfort with trim, clean-cut styling. Fine quality fur felts with either raw or bound edge snap brim . . . in medium and dark grey, blue grey, medium or dark brown. Sizes 6¾ to 7⅞. Eatonia Value.

EACH 5.00

MEN'S FURNISHINGS
Main Store—Main Floor

T. EATON C°

Packers Head Answers Pouliot

(Continued from page 1)

"fully vindicated the company's action." Referring to the decision made by the company president which gave rise to the cases, the judge said the "court has nothing to show this decision was wrong," adds that it was "made in good faith," and that the company had fully informed the WPTB at the time of the whole circumstances.

No Sales For Russia

He tells The Post that "Canada Packers has sold nothing whatever to the Canadian Aid to Russia Fund", and emphasizes that, although the fund has bought certain products of a type made by Canada Packers, because of his connection with the Aid to Russia and under his instruction none of these were bought from this company.

Regarding the further charge made by Mr. Pouliot that "when the price spreads committee was sitting (1934) I told the members of the committee that that firm was using two methods of accounting, one for themselves and one for the public at large," Mr. McLean assures The Post that these charges are "absurd" and that "there is not an atom of truth to them." He adds that he has no recollection of any such charges ever having been made before the price spreads committee, but that even if they had been there would have been no truth whatever to say such allegation.

NEW INDUSTRY: requires $25,000 — immediately to manufacture latex substitute required by various industries. Same product now being manufactured and marketed in the U.S.A. Machinery will be provided by original producer. Basis preferred and common assuring half profit. Box No. 8, The Financial Post, Toronto, Ont.

The War and Business

By BRUCE MacKINNON

Postwar Auto

There has been some discussion in Washington of ordering the automobile industry to prepare for production of a "postwar" gas-saving car now. Idea would be to have the designs, perhaps the dies and tools, ready for early production, possibly before the end of the war. The move is a recognition of the important role of the auto in civilian transport, and the growing need for large-scale replacement of the equipment now on hand.

• • •

More on the "Bazooka"

The "bazooka" rocket gun commented on last week has at least two major achievements recorded. One was in landing operations in Africa, where one rocket shot led to the surrender of a small fort. The other, also in Africa, was the surrender of six German tanks after a near-miss from a bazooka destroyed a tree near the tanks. The tank commander explained that he thought he was under fire from 155-millimetre artillery, one of the largest field pieces in use. Value of the rocket gun is that it can throw a very heavy high explosive charge, although the range is short.

• • •

German Technique

Reports from North Africa state that the German weapons captured show the Nazis have carried substitution considerably farther than the Allies. Cartridge cases for shells from 20 millimetres to 120 millimetres are made of steel. So far the only Allied cases of steel are for the U. S. 75-millimetre guns. The Nazis made the driving bands for shells (the girdle of metal toward the base of the shell that fits it snugly into the barrel) out of pressed and sintered steel powder. We make them out of copper as a rule, which is easier on the barrels.

Main reason for the substitution is an even more acute shortage of copper and other metals than the Allies have experienced. Gun barrels, for example, contain little nickel, chrome, molybdenum, or other precious alloys. In addition German weapons show the effects of an intense simplification program. Machined parts have been replaced with stampings and die castings in much the same way as in Canada. Significant point is that this retooling shows how badly Germany miscalculated the duration of the war. Weapons of the "unsimplified" type were still being made in 1940—simplification only began in earnest last year, according to the evidence of the captured weapons.

• • •

It Doesn't Pay

Offenders who tangle with WPTB regulations generally come out on the debit side, according to figures released recently by F. A. McGregor, enforcement administrator. Of all the cases tried in January, February and March of this year, 94% resulted in convictions. There were 879 hearings of one kind or another, 42 more than in the previous three-month period. Price ceiling puncturing on the part of retailers and buyers is showing an increase. Rental and rationing offenses are decreasing.

• • •

Price Change

WPTB's removal of the price ceiling on stamp albums will not apparently, have wide repercussions on Canadian business. Majority of the albums have been imported, some from the United States, more from Britain. Very few of the U. S. albums have been coming in, and the price of British albums has been going up with rising manufacturing costs, badly squeezing the importer against the ceilings.

• • •

Accrued Interest

An acquaintance who did not pay his 1940 taxes and has now been billed for them plus 5% interest for two years is hollering about double taxation. He claims that because of the jump in income taxes, the $50 he owed in 1940 will now force him to earmark roughly $100 of his 1943 gross earnings. The $50, he says, has to come out of savings, and savings have to be taken off the top and most heavily taxed part of his income.

He doesn't take his plea of double taxation very seriously, but he points out that if rising taxes work against the tax delinquent, falling taxes work in the delinquent's favor. Hence, if the taxpayer were sure of lower tax rates by the time the Department could catch up with him, it would pay him to be late with his returns. The only hitch in the argument is that the taxpayer would have to be equally certain that his earnings at that time will be as high as they are now. Otherwise the burden would increase instead of lighten.

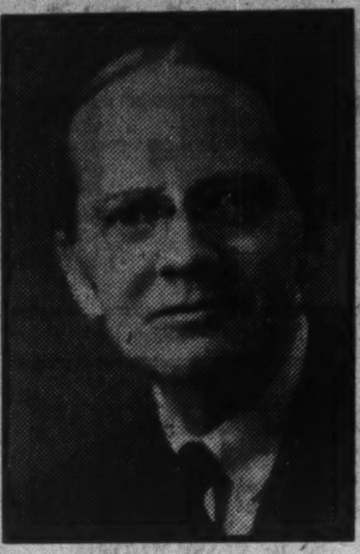
• • •

Defensive

Saying that they thoroughly expected an invasion attempt in Holland, the German occupying authorities recently confided the secrets of their defense system near the Hague to a group of foreign correspondents. For several miles inland, it is reported, the country is dead and the population has been evacuated.

The fortifications consist of a high concrete wall, colored brownish yellow, erected between the hotels and the promenade, stretching for many miles. The wall is several yards thick with a rounded top, apparently unscalable by tanks, and fortified with many batteries of anti-tank guns. Behind the walls, the dunes bristle with anti-tank guns, light and heavy anti-aircraft batteries and invisible pill-boxes, interconnected by trenches. About a mile back is a second strong defense line, one of the main features being an extremely wide and deep anti-tank trench filled with water.

Why the Nazis revealed so much to the correspondents is a mystery. Their own explanation is that the Dutch who built the defenses knew all about them and had passed the details on to England.



RAIL CHAIRMAN

D. C. Coleman, president of the Canadian Pacific Railway, who has been elected chairman of the company succeeding the late Sir Edward Beatty.

How Our War Production Is Shaping

Hon. C. D. Howe, Minister of Munitions and Supply, this week gave these new figures on Canada's war production.

Spent on new war plants:
By government .... $880 millions
By industries .... $400 millions

OUR PRODUCTION RECORD

	Weekly	To Date
Ships	6	500
Airplanes	80	7,500
Motor vehicles	3,500	450,000
Armored equip.	350	20,000
Artillery	900	50,000
Heavy guns	....	over 15,000
Heavy ammunition (rounds)	520,000	35 million
Rifles and Brens	12,000	500,000
Small Arms Ammunition	25 million	2 billion
Chemical explosives (tons)	10,000	7,250,000
Instruments	$3,000	$104 millions

Food for War
Preserved, Packed and Shipped

Thousands of Canadian men and women are doing a most necessary job of converting farm products to transportable food for millions of fighters and civilians overseas. Much credit is due those working in canning, dehydration, curing, packing, refrigerating, and shipping. With war industries and their workers the Bank of Montreal is working helpfully by supplying the kind of banking service suited to the times.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . the Outcome of 125 Years' Successful Operation
A 179

McKenzie Red Lake Gold Mines added 374 ft. of new ore during the first quarter of 1943 in spite of enforced curtailment of normal development due to labor shortage. Of this footage 120 ft. was in the older section of the mine and 254 ft. in the northern section. On the 1,250-ft. level, the lowest under development, a crosscut is being advanced toward the northeast section to intersect the downward extension of the ore bodies already developed on the 1,050-ft. level and above.

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New Output Blueprint Drafted for Canada

(Continued from page 1)

big plants and contracts which will be chiefly affected by the cancellations and the conversion to new contracts and weapons.

5. Involved in the conversion to new production are many thousands of workers. All but 25,000 to 40,000 are expected to find work in the same plants in which they are now employed. It is hoped that the balance will be able to find work in the same towns or industrial areas.

6. Although these job transfers will involve considerable temporary unemployment, lay-offs, etc., the demands of the war industry are expected to show steady over-all expansion through 1943.

Surprisingly, and contrary to general belief, there has been a small overall increase in war industry employment already in 1943, and for the entire year this may amount to as much as 60,000 persons, as the new program accelerates through the year and into 1944. This will be less than the increase expected some months ago but will be much greater than recent forecasts.

It may be some time however, before the real impact of the new program in terms of workers can be accurately measured. In some quarters doubt is expressed that the increased demand will be as great as is here indicated.

7. The new program will require a much larger proportion of skilled workers than heretofore. Manpower demands of war industry will more than ever compete for high priority type of workers. This will place a heavy load on NSS; on the War Emergency Training program, and on Canada's already acute manpower shortage.

8. Involved in the program will be the disappearance of most if not all of Canada's single purpose war plants—plants which have hitherto turned out nothing but guns (for example) or even one single type of gun. There will be a swing towards general purpose war plants.

9. The new orders have come from U. K., from U. S., and from other United Nations sources, chiefly Russia, Australia and China.

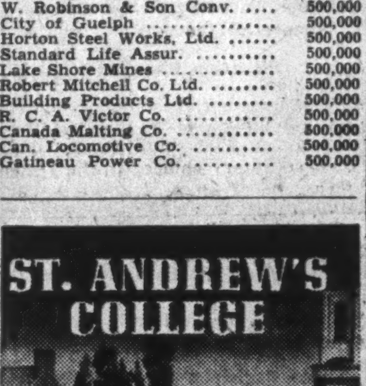
Demands of the Canadian Army have been considerably pared, largely partly because it is more economical in terms of shipping to equip our overseas army from British sources; partly because much of the original equipment is already supplied.

10. As the new program emerges, the chances of much material and manpower being available for increased essential civilian production looks increasingly slim. Farm implement production will be expanded to 78% of 1940 output, but since steel, aluminum and copper continue in critically short supply, even railway rolling stock replacements will be pared to a bare minimum. (For instance, all the rail locomotives that Canada can produce over and above barest essential needs will be sent to India to speed offensive action in that area).

More Big Subscriptions In Fourth Victory Loan

Here is the third list of major subscriptions to the Fourth Victory Loan as released by national headquarters of the National War Finance Committee. The Financial Post is publishing such tabulations as they are officially released. This list includes subscriptions of $500,000 and over.

Metropolitan Life Ins.	$22,000,000
Unemp. Ins. Comm. of Can.	15,000,000
London Life Insur.	13,500,000
Great West Life Assur.	12,000,000
T. Eaton Co. & subs.	3,500,000
Province of Ontario	3,000,000
American Can Co.	3,000,000
Swift Canadian Co.	3,000,000
Dom. Life Assurance Co.	3,000,000
Crown Life Insurance Co.	2,500,000
Canadian Industries Ltd.	2,500,000
Algoma Steel Corp.	2,000,000
Imp. Tobacco Co. of Canada	2,000,000
Excelsior Life Insur. Co.	1,700,000
British American Oil Co. Ltd.	1,650,000
Toronto Trans. Comm.	1,485,000
Howard Smith Paper Mills	1,250,000
Winnipeg Electric Co.	1,500,000
Singer Manufacturing Co.	1,500,000
Sask. Pool Elevs.	1,250,000
B.C. Sugar & assoc. cos.	1,000,000
Ogilvie Flour Mills	1,000,000
Anaconda Amer. Brass Ltd. ($250,000 additional)	1,000,000
Aetna Life Ins. Co.	1,000,000
J. A. Kilpatrick & Assoc.	1,000,000
Continental Can Co. of Can.	915,000
Sen. N. M. Patterson, N. M. Patterson & Co. & assoc. int.	900,000
Investors Synd., Minneapolis, & Investors Synd. of Can., Winnipeg	850,000
Canadian Canners Ltd.	750,000
Canada Wire & Cable Co.	750,000
Irving Oil Co. & assoc. cos.	700,000
Lake of Woods Milling	650,000
Dom. Metallurgical Co.	639,000
Pacific Mills Ltd.	625,000
Dominion Stores Ltd.	600,000
Bathurst Power & Paper & subs.	600,000
Goodyear Tire & Rubber Co. of Can.	600,000
National Life Assur. Co.	600,000
Supertest Petroleum Corp.	600,000
Crane Ltd. & subs.	600,000
Ont. Loan & Debenture Co.	600,000
North American Cos., additional	25,000
Increasing to total of	525,000
John Inglis Co. Ltd.	500,000
W. Robinson & Son Conv.	500,000
City of Guelph	500,000
Horton Steel Works, Ltd.	500,000
Standard Life Assur.	500,000
Lake Shore Mines	500,000
Robert Mitchell Co. Ltd.	500,000
Building Products Ltd.	500,000
R. C. A. Victor Co.	500,000
Canada Malting Co.	500,000
Can. Locomotive Co.	500,000
Gatineau Power Co.	500,000



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Elson from Washington . . . .

(Continued from page 1)

directed again at War Production Board chairman Donald Nelson whose capacity for surviving crises has created something of a record.

But this time the criticism may compel some re-organization of the War Production setup. Immediate cause of the present dissatisfaction was the outburst between Undersecretary of War Robert Patterson and Rubber Czar William Jeffers. They carried their fight over respective priorities for the synthetic rubber and high-octane gasoline programs into the news columns, later agreed to make an "arm and arm" inspection of the various projects allegedly competing.

Inferentially, however, Jeffers' testimony appeared to be critical of Nelson. So was the Senate Truman committee's findings on the hearings which were held as a result of the Jeffers-Patterson clash because they criticized "basic weakness in control of the war effort." This could go higher than Nelson but he is the boss on priorities. Last time when the fire got hot, Nelson did the almost unheard of thing in Washington—he fired one of his major undercover critics, Ferdinand Eberstadt who devised the CMP, and transferred major authority to Charles Wilson, the General Electric executive.

Nelson's problem is more difficult this time. But his strength lies in the fact that his major production problems are behind him, solved by the output of the factories and in spite of conflicts, bungling and lack of authorities. The materials problem has largely been solved by cutting down programs to realistic levels; scheduling of components will iron out the chief difficulties between production czars within six months, most insiders believe.

Controlled Materials Plan estimates are still inflated; and actually CMP has not solved the difficulties that finally wrecked the ill-fated PRP. Thanks to skilful handling on this side of the border and the close intimate contact between M & S in Ottawa and the Canadian branch of War Production Board, Canada's needs have been met.

In Washington, however, there is an increasing demand for less friction and for a settling down and an end to the news column battles.

Regent Mines & Minerals completed an agreement with Louis Cadesky on March 3 for sale of 20,000 shares at 25 cents per share payable within 60 days. An option was granted on a further 879,000 shares as follows: 280,000 shares at 25 cents per share; 300,000 shares at 50 cents a share; 200,000 shares at 75 cents a share and 99,000 shares at $1 per share payable $25 monthly commencing within 90 days. This agreement is subject to a finder's fee of 10% payable to C. O. Smokler but in no event to succeed $22,500. Authorized capital is 1.5 million shares with 600,005 shares issued.

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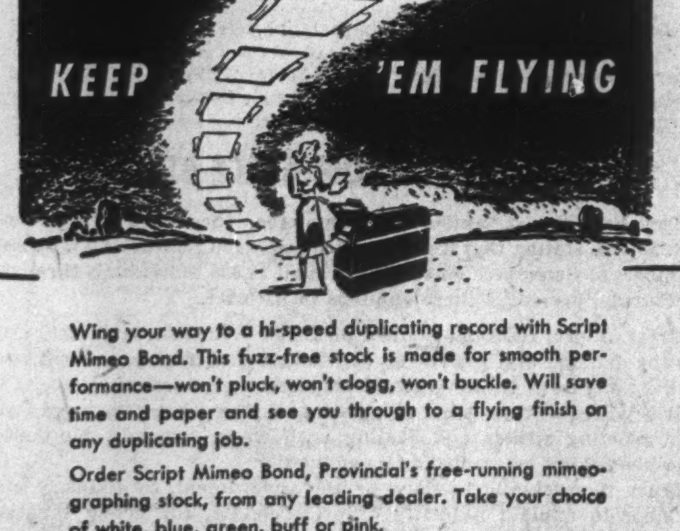

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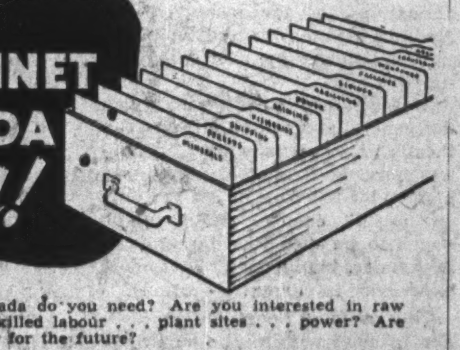

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In Your Opinion—

Should Drafted Workers Get Army Status?

The Question: Should men drafted into farm and other essential industry be guaranteed the status of members of armed forces in respect to pay, allowances, board, clothing, pension disability, medical attention, etc.?

George D. Christie

Editor, News, Dalhousie, N.B.

It is my considered opinion that, from observations made in this district where mixed farming is carried on largely, the answer is "Yes, absolutely." Moreover so far as this district is concerned, many farm draftees will be required to cope with the farm production situation.

Today the man on the farm is just as essential to the war effort as the man on the battlefront because, no matter how poor a pun Napoleon Boneparte made when he said that an army marches on its stomach, the man on the battlefront, unfortified by the food produced by the man on the farm, would not have the power to carry the fight to the enemy victoriously.

* * *

R. E. G. Davis

Director, Canadian Institute of Public Affairs, Toronto.

I see many practical difficulties to the plan proposed.

If transferred workers were given the status of soldiers, how would this be regarded by other workers doing similar work? How would managements deal with the situation in which part of the working force is under the army rather than civilian discipline. How would organized labor react to an arrangement which would put some workers in a classification outside the reach of union organizations?

I believe that the plan would work only under the circumstances in which the whole nation was drafted and everyone put in uniform. As an alternative the government might guarantee the status and protection for all workers in essential industries through progressive national labor policy, which up to now Canada has lacked.

* * *

Manley J. Edwards

Member of House of Commons for Calgary West.

Such a guarantee is neither practicable, necessary, nor desirable. No person in civilian occupation, however essential can legitimately claim or should be entitled to the recognition or status accorded a member of the armed forces.

* * *

O. Edgerton

General secretary-treasurer, National Union of Railwaymen, Winnipeg.

Men who are transferred from non-essential industry into farming, mining and other essential industry should be guaranteed the status of members of the armed forces if and when drafted. The position of these conscripted workers should not be worsened by whatever move is made to help the country in this emergency.

To ensure success and harmony in the forced movement of men, strict adherence to a planned and impartial procedure should be observed, and where differences arise as to a man's adaptability in a particular industry, a joint committee of management and employees should determine what adjustment is necessary.

* * *

J. D. Ferguson

Editor, Optimist, North Battleford, Sask.

Drafting of men under the conditions outlined appear to offer great difficulties of equitable supervision, but if they were guaranteed minimum wages equal to the gross earnings of members of the armed forces the plan would be easier handled and a lesser burden on the taxpayer. In order to make the plan workable, war and all essential industries, as well as employees, should be under definite control of the federal government to prevent discrimination.

* * *

A. W. Hanks

Editor, St. James Leader, Winnipeg

Men drafted into farm and other essential industries cannot possibly be considered to be risking their lives or their future status in life after service, in comparison with men in the armed forces. They run no risk and are not injuring their future in any way. Rather, they might be considered in many cases to be enhancing their capability. As such they must be considered as not entitled to other considerations than that of being returned to their rightful occupations if they so desire.

* * *

H. H. Hatfield

Member of the House of Commons for Victoria-Carleton, Saint John, N.B.

From the beginning of the war manpower between the ages of 18 and 65 should have been drafted and then placed in a position where all would serve in the best interest of the nation. Those in the active theatre of war, including the merchant marine, should have the higher rate of pay and full allowances, pension, disability, etc. Those serving in Canada, whether in home defense, production of food, or munitions, should all receive the same remuneration and allowances except pension disability.

If this course had been followed in 1940, and it is still not too late, our government would have saved the cost of the plebiscite, rationing, and other embarrassing positions in which they have found themselves in relation to manpower and efficient production of war material.

* * *

H. T. Halliwell

Editor, the Gazette, Macleod, Alta.

Men drafted from non-essential occupations in which they may have received net incomes above the rate of pay of the armed forces should be guaranteed pay at least commensurate with those of the armed forces, as well as compensation in the event of suffering accident or disability as a result of engaging in a drafted job. The provision of medical attention, pension, etc., I would not consider to apply in general, as physical condition of individuals would vary very widely so that allowances would have to be adjudged on individual merits. The subject requires careful consideration to arrive at a fair basis of remuneration and the awarding of pensions for disability.

* * *

R. S. Kennedy

Editor, Family Herald & Weekly Star, Montreal.

I doubt the prospect of men being "drafted" into agriculture and industry. They are merely ineffectively "pressured" in. Under those conditions military organization is impossible and undesirable.

But "shock companies" of patriotic whole-time workers for agriculture and industries might be widely organized to meet labor emergencies. They would be medically unfit for active service and would volunteer for "work service" without limitations. These should be uniformed men when off duty and be regular members of the army. Pay should be army pay, with employers paying current labor rates to the army to be used for veterans aid projects.

* * *

Frank W. Lapp

Proprietor, the World, Cobourg, Ont.

I can't see why men drafted in the farm and other industry should be treated any differently from those already in such industry by their own voluntary choice. In the armed forces the draftees are treated exactly the same as those of voluntary enlistment.

It doesn't seem right that employees in essential industry should draw more money than those in the armed forces who are ever risking their lives. But whether all employees in such industry could be reduced to the same pay and given the same benefits as the armed forces, without employers reaping an extra unfair profit and the government saddled with a greatly increased expenditure, is doubtful and seems quite impractical.

* * *

R. P. MacLean

The Courier, Kelowna, B.C.

No debate should be necessary. The answer is obviously "Yes." These men lose individuality the same as persons in armed forces. They cease to work for themselves and work for the state. If drafted presumably they will be placed in work as essential as actual armed forces, therefore they should be treated on the same basis.

* * *

Gordon Purdy

Member of House of Commons for Colchester-Hants, Truro, N.S.

Men drafted into farm and other essential services should not be guaranteed the status of members of the armed forces unless they are willing to volunteer for overseas service and are in overseas military categories.

* * *

Ronald M. Ross

Managing editor, Daily News, Amherst, N.S.

Giving the status of service men to drafted workers on farms or in lumbering would, perhaps, prove satisfactory, although human psychology might take exception. I doubt if a similar plan would work in connection with actual war industries where such men would be in competition with workers receiving wages based on higher scales. The attitude of unions must also be considered.

Roderick Raymond

The Tribune, Campbellton, N.B.

Men drafted into farm and other essential industries should be guaranteed the economic status of members of the armed forces. Only in this way can the necessary home front be maintained. Farming is as essential as guns.

Col. C. E. Reynolds

Former president, Canadian Corps Association, Toronto.

The proposal only adds confusion to an already muddled manpower situation. It would be hopeless to draft men for farm or other essential industry until conscription for overseas service is adopted. In the army establishment in Canada are thousands of physically fit men available for neither industry nor active service under the present pussy-footing regulation. These men should be used either as soldiers or workers.

M. A. Sanderson

Manager, Reliable Exterminators, Toronto.

With scientific mobilization and allocation of all our resources, including manpower and womanpower, a total war essential, "freezing" experienced farm and war workers out of circulation by drafting them into our "Zombie" army, and then drafting and training low-category, inexperienced men for farm and war work, is consistent with the pussy-footing that, right along, has marked the government's handling of the manpower problem. Pay and other allowances are but a fraction of the whole mobilization problem and cannot be determined without reference to the whole problem.

The whole set-up suggests that party welfare ranks ahead of national welfare.

* * *

A. T. Whitaker

Managing editor, Expositor, Brantford.

Men drafted to farms and essential industry should receive either prevalent wages for such work or if paid only armed services pay should be given those other considerations which go with army service but they should not receive prevailing wages plus considerations given to armed services which would make it more profitable to serve at home than in the armed services where life is at stake.

C.P.R. Sees '43 Income Holding Previous Level

From Our Own Correspondent

MONTREAL.—Net income of the Canadian Pacific Railway for 1943 is not likely to vary substantially from the 1942 level, D. C. Coleman, chairman and president, told shareholders at the annual meeting of the Canadian Pacific Railway. At the same time, he mentioned that the question of dividends on the ordinary shares would be reviewed later on this year and that a study was now being made of postwar rehabilitation and improvement of the company's properties.

Discussing the outlook for earnings this year, Mr. Coleman told shareholders that net operating revenues for the first quarter were off $1.3 million, due to the fact that working expenses were increased by higher cost-of-living bonus, price of fuel, and, in particular, to the unusually severe weather which increased maintenance costs by about $1.3 million.

"I would hesitate to endeavor to forecast the amount of railway earnings for the balance of the year. Traffic will react quickly to the changing needs of the war situation and particularly to any alteration in shipping conditions. At present I know of no reason why the traffic trend should change, but I would expect that a large part of any increased gross earnings will be offset by heavier taxes, maintenance and other expenses. Other income will be affected by reduction in steamship earnings and by the closing of all your resort hotels. On the other hand, fixed charges will be lower. All told, it would seem that net income is not likely to vary substantially from the level of last year."

Postwar Planning

Speaking of the general outlook, Mr. Coleman declared that those who believe that private enterprise has a place to fill in the economy of the democratic countries, "cannot ignore the fact that many so-called planners are laboring to reconcile the public mind to continuance of government control and regimentation after the return of peace."

Private companies must do some planning also, Mr. Coleman went on to say, and in this connection he mentioned that a committee of senior officers, headed by the chief engineer of the company, is engaged in preparing a postwar programme of rehabilitation and improvement.

One of the main tasks will be the restoration of the steamship fleet. A representative of the company in London, in collaboration with representatives of other steamship companies, is engaged in the study of conditions and prospects

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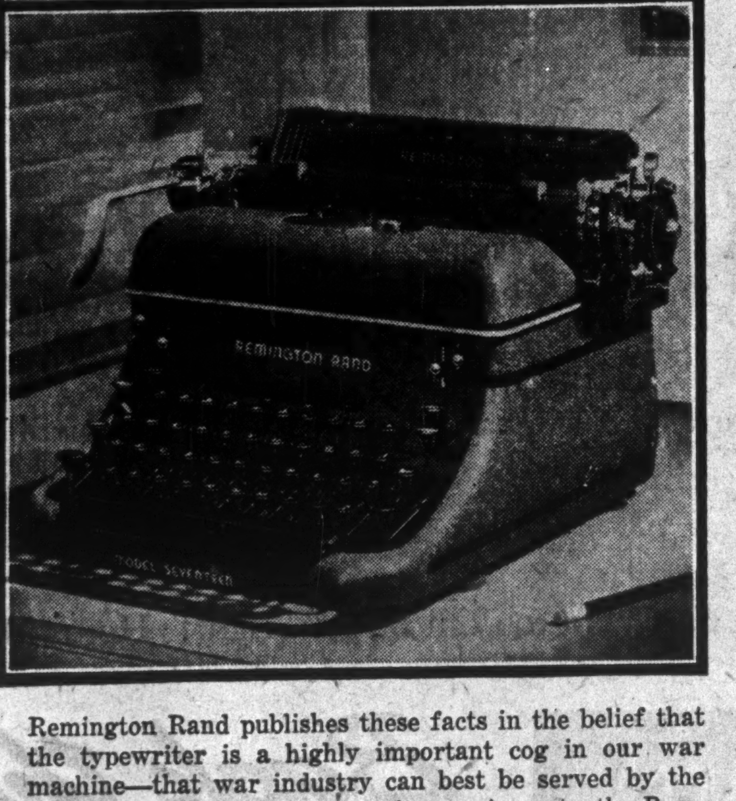

IF yours is a war essential industry and you have been deferring the purchase of new typewriters because of war conditions, here is an important fact: Due to Canadian manufacturing facilities and foresighted production *new Remington Typewriters* are still available for the essential needs of war industries and departments of the federal government.

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If your present typewriter equipment is adequate, we do not urge new purchases. But, if your war work can be speeded by the use of new typewriters, consult the nearest Remington Rand branch without delay. They will tell you the procedure necessary to get new machines and advise you regarding the models best suited to your requirements.

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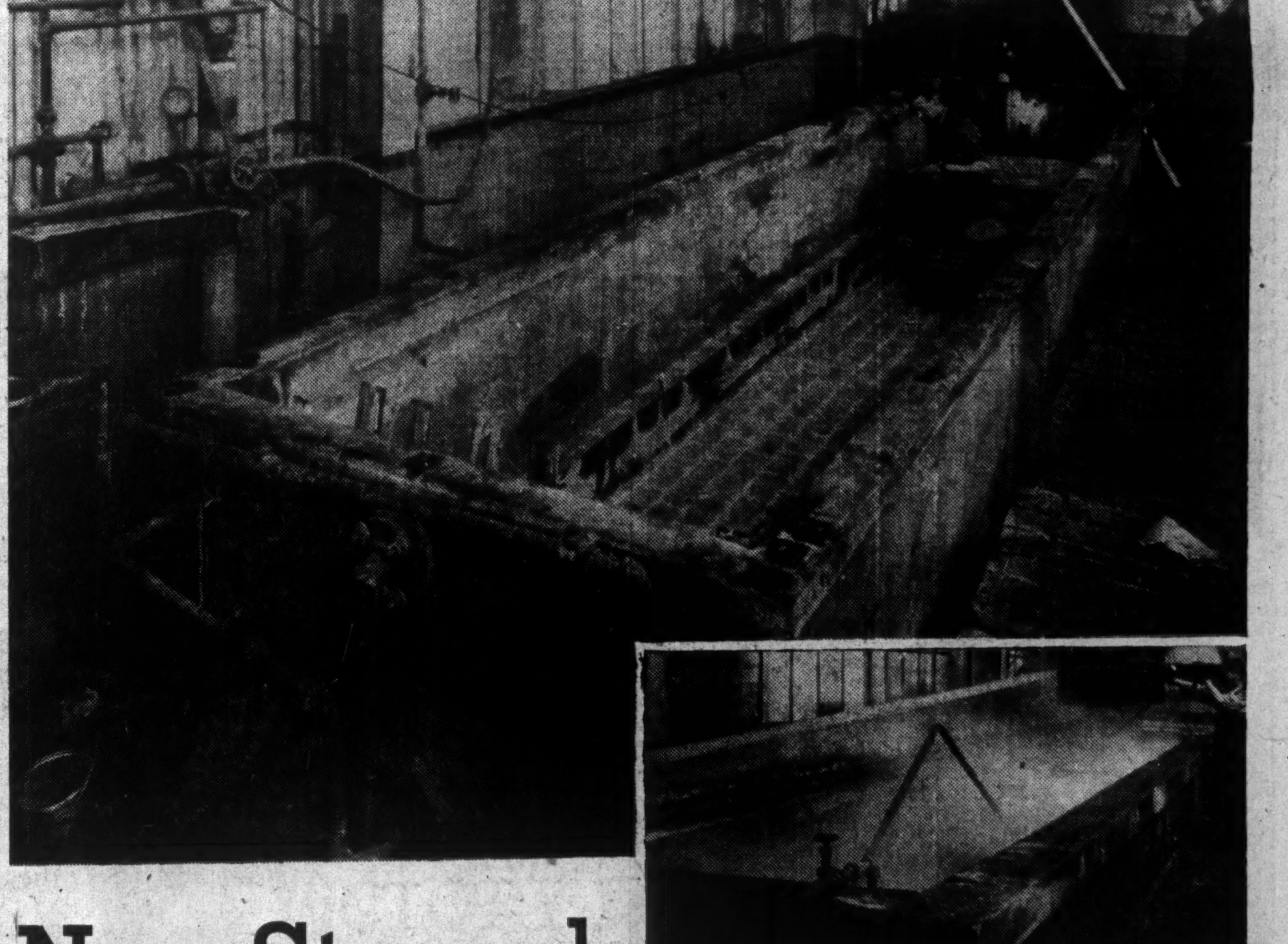

New Stomach For a 9 Year Old Veteran

A Typical Example of the Stamina of B. F. Goodrich Rubber Linings

• More than nine years ago this pickling tank was rubber lined by B. F. Goodrich, and installed in the plant of a large central Ontario manufacturer.

Since that time it has been in continuous service. Tons upon tons of metal have been pickled in its steaming liquid contents . . . an acid powerful enough to eat through the tanks half-inch metal shell, in less than nine days . . . yet held powerless for more than nine years by a thin protective coating of rubber.

The years of service have done some damage, but nothing that a minor operation will not quickly and inexpensively repair. Pictured above is a workman performing the operation. He is building a new brick sheathing for the tank's interior.

After nine years of service the original rubber lining was as good as new.

When the interiors of rubber lined tanks are to be subjected to abrasion, B. F. Goodrich recommends a brick sheathing to protect the rubber. The purpose of the brick sheathing is to protect the rubber against abrasion. Yet even the life of this protective sheathing has been materially lengthened in big tanks, by B. F. G. engineers who designed special expansion joints to keep the brick from cracking.

This particular installation is one of many that substantiate the perfect adhesion of rubber to metal, made possible by the B. F. Goodrich Vulcalock process. It is another typical example of the "know how" of B. F. Goodrich engineers, being used to provide long uninterrupted service for those who bring their rubber problems to the company that is first in rubber. The B. F. Goodrich Rubber Company of Canada, Limited — Industrial Products Division—Kitchener, Ontario.

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Air travel insurance up to $20,000 on one individual will be available after May 15 to passengers traveling between any two points over the entire route of Trans-Canada Air-lines, or over any other air line in North America, when passage is booked in a TCA office. Insurance policies may be bought when the passenger buys his transportation ticket.

The rate for TCA passengers is 25 cents for each $5,000 for each four hours flying time or any part thereof. For example a passenger will pay a premium of 25 cents for $5,000 insurance from Montreal to Toronto or Ottawa while the premium on a flight from Halifax to Vancouver would be $1.50 for $5,000.

Policies are inclusive, covering the traveller from the moment he enters a motor car under the control of the TCA for passage from the starting point to the airport during the flight until arrival by motor car at the terminal point. Previous policies for air passengers were limited to $5,000 and TCA has become a pioneer by the extension.

The underwriting is done by Stewart Smith (Canada) Ltd. Canadian subsidiary of Stewart Smith & Co., London, England, incorporated Lloyds' brokers.

Inco Earnings Cover Dividend

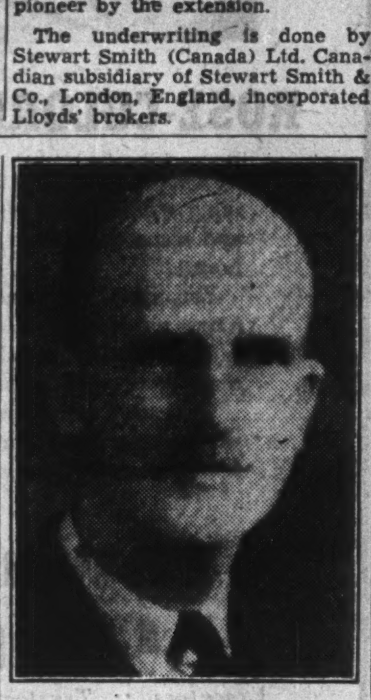
With earnings continuing to show little variation despite greater activity, International Nickel Co. first quarter net of $8,075,238 was equal to 52 cents a common share after allowance for preferred dividend requirements, slightly in excess of the 50 cents a quarter dividend rate.

Profit was $4,000 more than that realized for the first quarter of 1942 when earnings were also equal to 52 cents a share. Earnings were on a slightly lower level than the last quarter of 1942 when 58 cents a share was earned.

Working capital at Mar. 31, 1943, totalled $91 millions, an increase of $2 millions on the $88.7 millions at the end of 1942 and almost $8 millions greater than the $83 millions of Mar. 31, 1942.

The $119.4 millions of working assets at Mar. 31, 1943, included $25.9 millions cash and $37.1 millions of treasury bills, tax notes and other securities. Current liabilities of $28.4 millions included an item of $19.8 millions for income taxes.

All figures are given in terms of U. S. currency.



BANK SUPERVISOR

Arthur Baird, who has been appointed supervisor of Saskatchewan Branches by the Royal Bank of Canada. Mr Baird has been acting supervisor since Dec., 1941.

Over $1.8 Billion-Covered Under War Risk Insurance

Total value of property insured under the Government's war risk insurance plan since it began to operate to Feb. 28 last was over $1.8 billion, Senator J. H. King reported in the Senate at Ottawa. Total premiums, he stated, were over $4.3 millions.

Among the provinces, British Columbia stood first in volume of property insured with Quebec second. Statistics given for the different provinces follow:

Total War Risk Insurance Effected
(As at Feb. 28, 1943)

	Total Sum Insured $	Total Premiums $
Alta.	49,909,924	116,921
B. C.	547,473,393	1,259,866
Man.	24,059,360	60,432
N. B.	65,945,801	149,337
N. S.	168,500,190	386,426
Ont.	460,623,957	1,116,827
P. E. I.	7,341,680	15,638
Que.	512,554,097	1,213,226
Sask.	13,657,909	34,572
Other	1,077,392	2,687
	1,851,143,703	4,355,932

Commission fees paid agents were $149,176. All expenses incurred since December, 1941, when the scheme was first broached, to Feb. 28, including expenses of drafting legislation, commissions, etc., were $208,481.

Shawinigan Cuts Rates

From Our Own Correspondent

MONTREAL.—Shawinigan Water & Power Co.'s plan for downward revision of its domestic service and general service rates has been approved by the Public Service Board of Quebec. It is estimated that in the aggregate the new rates will mean a saving of better than $100,000 to customers served by the company.

Broadly speaking, the new rate schedule provides that the minimum demand for all general service customers, where a meter is installed, is reduced from 2 kv.a., to 1 kv.a. as from Oct. 1, 1942.

The rate schedule which now applies to all communities having less than 500 customers is revised so that the charge for energy in volume is reduced from 1½ cents gross per kw.h. to 1 cent gross per kw.h., effective as from November 1, 1942,

For cities and towns, and larger communities served by the company, the rate is revised downward generally, though the service charge, discounts and minimum charge remain unchanged.

THE MASTER HAT OF CANADA

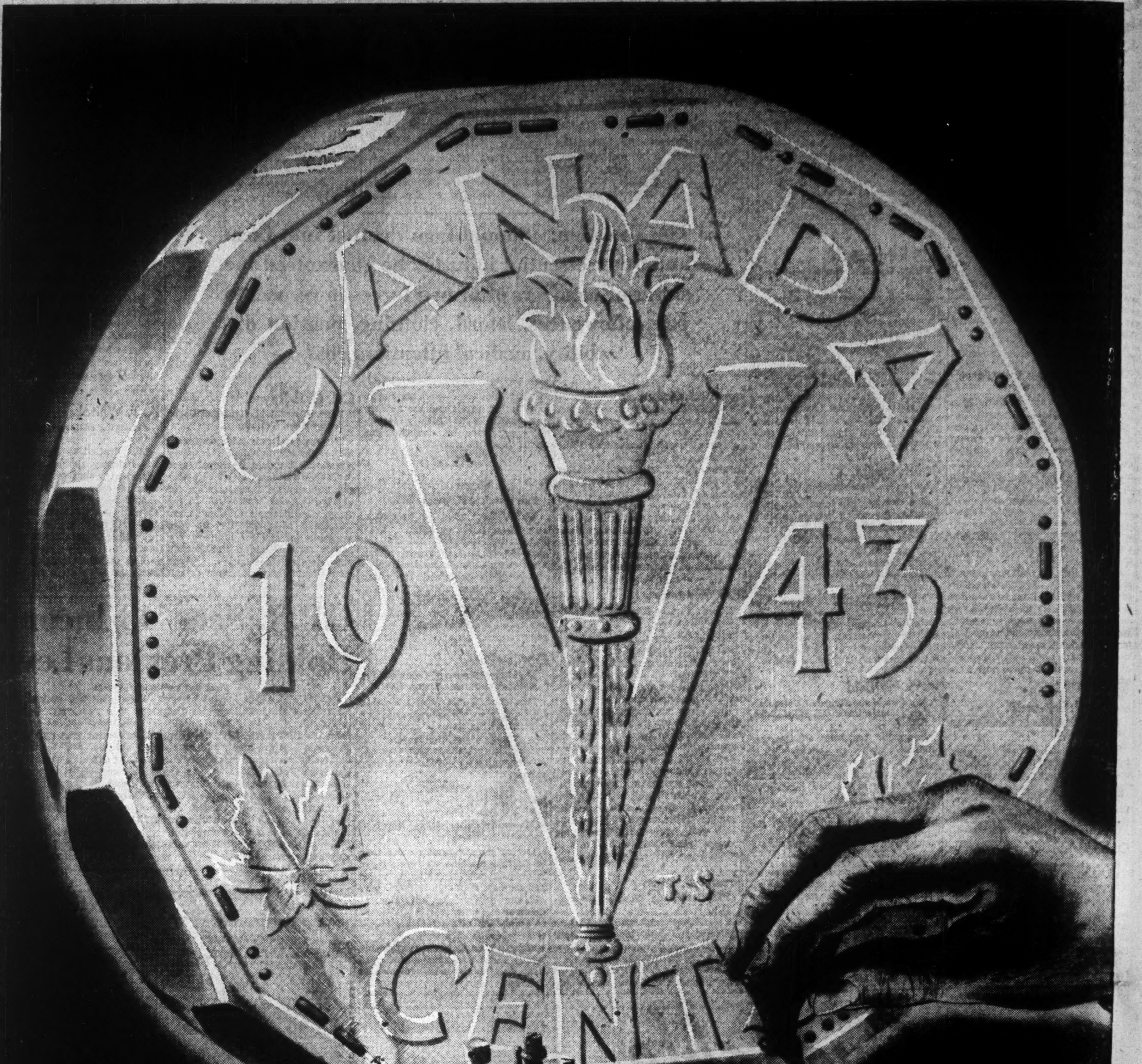
FOR MORALE ON THE HOME FRONT

Biltmore Roller

Biltmore Roller

Six Fifty

A LUXURIOUS LIGHT WEIGHT HAT



WE WIN WHEN WE WORK WILLINGLY

● Morse, the language of Marconi, is the medium that carries this inspiring message on the back of our new Canadian 5 cent piece. Take a look and see how the dots and dashes stand out, small but clear and forthright.

Right now, you too can be forthright! How? Don't wait to be called, just—

Back the Attack

BUY VICTORY BONDS

CANADIAN MARCONI COMPANY
ESTABLISHED 1903
MARCONI . . . THE GREATEST NAME IN RADIO

MONTREAL VANCOUVER WINNIPEG TORONTO HALIFAX ST. JOHN'S NFLD.

The Shareholder

Brokers' loans reported by Toronto Stock Exchange members at May 1 were up about $522,443 from the previous month but were still $3.1 millions less than a year ago. During the past year more than a billion dollars has been added to aggregate market value of all listed Toronto stocks. Yet ratio of member borrowings to total stock values is only half that of a year ago, even then on a ratio which would be considered unusually low in pre-war days.

There is no evidence here that the buying which has carried the Toronto Exchange's industrial share index up 43% from about 80 a year ago to over 114 now, has resulted in an over-extended loan position. The figures do, however, draw attention to the fact that this index is now higher than it has been at any time since early May, 1940, the approximate date of Germany's advance into Holland, Belgium and France. It has taken many months to offset the losses suffered three years ago but it has now been accomplished.

* * *

British "disinvestment" still interests Canadians, although less than two or three years ago. Estimates suggest that perhaps £600 to £650 millions may again be the measure of the extent by which Britain will exchange its holdings of investments in overseas countries for badly needed foreign exchange.

There are a few important remaining securities of Canadian origin in which British interest is still large. The remaining group includes Brazilian Traction, Canadian Pacific Railway, Canadian Industries and International Nickel, to mention the most prominent. There has been no indication that these will be disturbed although there has been an interesting hint that certain South American countries might be interested in exchanging British holdings in companies operating in their countries.

It is understood, however, that outside of the few large examples cited, British holdings of Canadian securities are quite limited. Canada, moreover, has greatly lessened the strain on Canada-U. K. financial transactions through her two billion dollar gifts. As the same is also largely true for the United States, any move to disturb U. K. holdings of the major securities in which Canadians might be interested becomes less likely. Canada has already taken over direct U. K. investment in war plants in this country, something which was probably not included in last year's estimated £600 millions of overseas disinvestment. There is a large amount of private U. K. capital still invested in Canada in various factories, agencies, etc., but this, too, seems relatively secure against compulsory liquidation.

Says Periodical Task is Charting Way Ahead

New President Sees Encouragement of Postwar Planning by Industry as Prime Task

Declaring that the tremendous industrial developments of this war will continue to a far greater extent than they did after the Great War, Horace T. Hunter, newly elected president of the Canadian National Newspapers and Periodicals Association this week told the nation's leading periodical publishers that it was up to them to prepare the way for the postwar era.

H. T. Hunter

Mr. Hunter spoke at the 24th annual meeting of the CNNPA in the Royal York Hotel shortly before the association voted to change its name to the Periodical Press Association of Canada. He succeeds E. R. Milling, general manager of the Consolidated Press, Toronto, who has completed two consecutive terms in the presidency.

In outlining the objectives of the association as (1) to act as an idea clearinghouse and centre of initiative for the efficient prosecution of the war; (2) to develop and encourage postwar planning which will be of practical use to business men and women of Canada and (3) to encourage in all national publications the placing of Canadian interests and general prosperity ahead of any sectional interest, Mr. Hunter said:

"We on this continent are headed for an unparalleled industrial age. To give a few instances we will be using 100 octane gasoline in our motor cars, which will mean radically different engines and performance. We are arranging within a period of two years to produce one million tons of rubber yearly—as high a rate of production as it has taken us to develop in a century before the war. Compared with 1939 we are going to have seven times our aluminum production and 100 times the magnesium output.

Enterprise the Key

"In these developments and many more equally important lies much of the success of our future. Supported by our free enterprise system, they are our great hope of achieving an age of sound prosperity.

"What is needed to make this hope become a reality is a sound basis of operation. We must retain the incentive principle. This will not only bring big rewards to the most capable and energetic, but will also bring general prosperity and a higher standard of living to the mass of the people.

"The key—and the only key—is free enterprise, which must be given an untrammelled chance to make the most of our industrial, scientific social and health developments. And free enterprise, to be practical, must have the co-operation of both government and labor.

Changing of the name of the association was the first step in a program adopted by Canada's periodical publishers to intensify the national thinking and voice of their more than two million readers of magazines, business, agricultural, industrial, financial and management papers.

With the growth of the association to almost 100 member publications and embracing three affiliated organizations—the Agricultural Press Association of Canada, the Business Newspapers Association and the Magazine Publishers Association—the periodical publishers have embarked upon a vigorous policy of continued promotion and protection of the freedom of the press and a nation-wide public relations policy.

To put its policies into effect the association elected the following strong slate of officers:

President, Horace T. Hunter, Toronto; past president and treasurer, E. R. Milling, Toronto; vice-presidents, K. D. Ewart, Winnipeg, representing agricultural press; A. S. Christie, Montreal, representing business newspapers; W. C. Stovel, Toronto, representing magazine publishers; E. G. Salmond, Toronto, representing financial and management papers; executive vice-president and secretary, I. D. Carson, Toronto.

Heading up standing committees are: Budget and finance, E. R. Milling; Legislative, N. R. Perry; Membership, B. L. Smith; Personnel, T. J. Tobin; Public Relations, F. S. Chalmers.

Election of Mr. Hunter to the presidency marked his return to the chairmanship after an interval of more than 20 years. A charter member of the association, he served as its president in 1920, after he had been president of the Business Newspapers Association.

Born in Meadowvale, Ont., Mr. Hunter was educated at the University of Toronto, where he was graduated in 1903 with his B.A.

He began his business career with the MacLean Publishing Company in 1903 as an advertising salesman, and eight years later he became general manager of the company. By 1916 he had been made vice-president and in 1933 he succeeded Lt.-Col. John Bayne Maclean as president.

A publisher of wide interests, Mr. Hunter is also president of the Tradepress Publishing Corporation, Chicago, Ill., and a director of the Bank of Toronto.

He was a delegate to the Pacific Relations Conference in Japan in 1929 and a delegate to Imperial Press Conferences in London, England, in 1930 and Cape Town, South Africa, in 1935.

We take pleasure in announcing that
MR. VINCENT J. McCABE
has been admitted to partnership
as of May 1st

J. R. Timmins & Co.

MEMBERS
TORONTO STOCK EXCHANGE
NEW YORK STOCK EXCHANGE
NEW YORK CURB EXCHANGE
(ASSOCIATE)
MONTREAL CURB MARKET

350 Bay Street *ADelaide 8132

NEW YORK
61 Broadway

MONTREAL
Royal Bank Building

Market Review

By
ROBERT C. STARK

War News Backs Upswing

In the wake of some excellent war news, volume of trading has expanded materially while prices have generally inclined to the upside. However, the underlying quality of the market must still be questioned.

In Toronto last week an even dozen stocks all quoted below 30 cents accounted for 25% of total volume during a week in which some 300 issues were boarded. In Montreal the way up was led by the pulp and paper group, usually considered on the speculative side.

That is not to say that there has not been some attention to what are generally considered to be at least fairly good industrials. CPR has been actively higher while buying in Brazilian has returned it to around its best recent levels. However, both of these particular moves are largely due to individual developments — one of the most optimistic statements to come from CPR for some time, while Brazilian continues to turn in better earnings. Canada Steamships has held in buying favor for similar reasons.

There is reason to doubt that the true underlying tone of the market can be found in these scattered issues. We find the trading enthusiasm among the penny golds reflected to only a very minor extent in the senior group — some of the seniors have softened a little. The higher grade industrial list is similarly jogging along in not particularly noteworthy turnover.

If there is really a basic market factor behind the price betterment of the lower grade issues, there would appear to be no good reason for the same factor not boosting the better grade investments.

It still remains very largely a cash market. Brokers' loans have expanded moderately recently but not to a degree in any extent out of line with the increase in market values. General sentiment continues to focus on the optimistic side with comparatively little attention being paid to less favorable developments.

Market Opinions

Attainment of new highs by stock market averages gives added interest to comment but does not appear to have altered opinions this week.

Barron's, N.Y. (The Trader)—Whether or not the actual top of an uninterrupted 13-month rise has been witnessed, the returns from striving for the possible last 5% of an advance generated by refugee and speculative public buying seems out of all proportion to the risks disclosed by sober consideration of income yield and earnings ratios of the soundest, seasoned industrial issues.

• • •

Business Week, N.Y.—Except for a few pessimists, Wall Street thinks the long-term trend is still upward. Traders believe that if a reaction comes, it will be short and not too severe. The market's technical position has improved considerably in the last month or so, and there is now a fair-sized short interest to cushion it on a slump. Moreover, the quick drop last month cleared out a good many of the speculators who were ready to take profits.

Canadian Car Plan Finalized

From Our Own Correspondent

MONTREAL.—Court approval has been given to Canadian Car & Foundry Co.'s plan of arrangement for liquidating $9.55 a share arrears of dividends on the preferred stock.

Principal features of the plan include a cash payment of $2.55 a share; an increase in the cumulative dividend from $1.75 to $2.10 annually; provision making the stock callable at $35 a share or $10 above the par value; a clause precluding payment of common dividends out of surplus accumulated up to Sept. 30, 1941, and setting up of an annual sinking fund for preferred stock redemption.

The way is now clear to have the new certificates printed and distributed. It is presumed that payment of the $2.55 a share will be made when the new certificates are mailed.

Newark Puts Curb On Stock Sale

Eight Toronto stock dealers were barred from further security dealings in New Jersey either by telephone or personal solicitation by a May 5 order of Assistant State Attorney General Andrew J. Markey, it is reported this week by the Canadian Press.

The eight are: W. E. Davidson & W. E. Davidson & Co., Redmond & Co., W. R. Marchment, J. N. S. Dixon, Summit Securities, John M. Baird and Lakewood Investments. The stock dealers are reported to have refused to answer subpoenas to explain their methods of selling gold mine securities in the State.

Four other Toronto brokers have been ordered to show before May 18 why they should not be permanently restrained from doing business in the state. They are: Irving Spellman, Clifford Edward, Alex. Galbraith, and William J. Simpson. The three first men are connected with Summit Securities, Mr. Markey stated.

Markey charged that Galbraith and Edward "came into Atlantic County and took $10,000 from two elderly women without returning to them securities."

Notice to Holders of Township of Tisdale Debentures

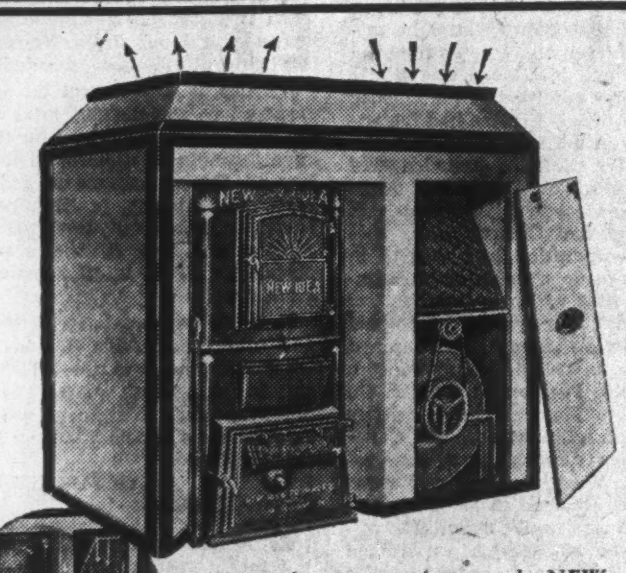
This will advise all holders of debentures and coupons of the Corporation of the Township of Tisdale that all defaulted debentures and coupons will be honoured on presentation to the Imperial Bank of Canada. Notice is hereby given that accrued interest on the defaulted debentures and coupons will be paid to and including May 10th, 1943, only.

Pat H. Murphy,
Clerk-Treasurer

and look at the Farm Market. There's no doubt about its standing as a top prospect whether you have an immediate sales problem to solve or a postwar market to build.

One Canadian farm paper, the Family Herald and Weekly Star will give you coast-to-coast rural coverage. With its 300,000 circulation, the Family Herald provides a thorough and economical means of contacting this fertile market.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA



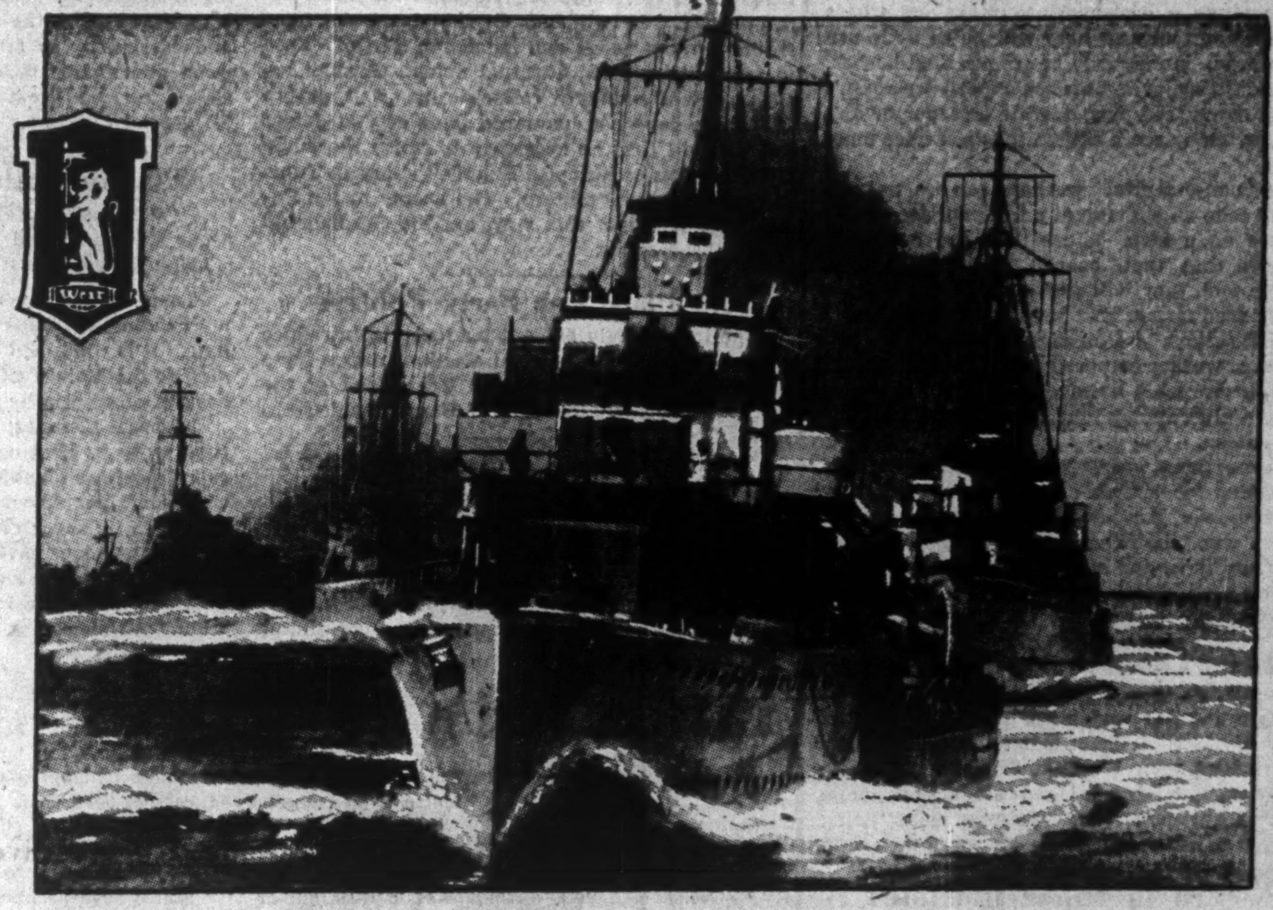
Illustrating one of several NEW IDEA Heating and Air-Conditioning systems. NEW IDEA burns all fuels successfully, there is a size and style for every heating and air-conditioning requirement.

NEW IDEA Heating & Air Conditioning

For dependable long life service, choose NEW IDEA! Experience the economy and efficiency which is made possible by NEW IDEA engineering and construction features—and enjoy the billows of warm, clean, healthful air, properly humidified, filtered and gently circulated to every room in the house. Thousands of installations, giving perfect heating satisfaction, will prove the wisdom of selecting a guaranteed dependable NEW IDEA system.

Our factory experts will be pleased to help solve your heating problem. There is NO obligation — why not write us today.

NEW IDEA FURNACES Limited
INGERSOLL ONTARIO



Clear the Seas for Victory!

To clear the seas for Victory you must keep on buying Victory Bonds to build more boats like these built in Canada with the Victory Bonds you bought before.

All fitted with Weir Marine Auxiliaries—Made in Canada

PEACOCK BROTHERS LIMITED
HEAD OFFICE AND WORKS TOWN OF LASALLE MONTREAL CANADA.
TORONTO NORANDA SYDNEY WINNIPEG CALGARY VANCOUVER

To bring peace and freedom..
we must buy
VICTORY BONDS

THE HOME is the symbol of our way of life. From the home the father goes cheerfully to his daily tasks. Little children wind their way to school. The mother hums a tune of happiness as she goes about her work. And in the evening the family comes home again. Peace, happiness and contentment are here.

Today our way of life is threatened by those who do not respect the sacredness of the home. Today we must buy Victory Bonds so that the people of Canada, England, Russia, China and all peace-loving lands may dwell in peace and freedom in their homes wherever they may be.

ONTARIO WINE PRODUCERS ASSOCIATION

The Editorial Page . .

Labor Draft Far Too Late

Ottawa's belated move to draft men from "non-essential" industry into agriculture and other total war production seems designed more to placate public opinion than anything else. So far as food production is concerned, and it was here that the scarcity of help was most critical, the gesture comes far too late.

By the time this new work army has been trained for agricultural work, this year's food production problem will be pretty well over. Farmers have needed extra help for months and right now with seeding at hand the situation is actually desperate. Hundreds of thousands of acres will go uncultivated and scores of thousands of cows will be fattened and slaughtered for the simple reason that the farms are critically undermanned. This loss cannot be avoided unless skilled help is available now. A few weeks hence it will be too late. Farmers must work with nature and nature will not wait.

This move of the Department of Labor to make barbers, waiters, musicians, store clerks and others available as agricultural help will be of little use for this season. A man may be an excellent barber, or a skilled flute player, but such experience doesn't help milk cows, feed pigs, operate a seeder or any other of the many score skilled jobs a farmer must handle.

These "non-essential" workers can be trained, but it will take an average of a full year's practical experience on a farm before they can be worth much more than their board. For the first few months, in fact, they will prove a liability because an experienced farmer will have to supervise every job or risk serious loss through mistakes. An unskilled farm worker can easily ruin an agricultural machine, or valuable livestock. By a single error he may put a producing field out of commission for a whole season.

For over three years The Financial Post has been pressing for complete mobilization of the nation's manpower, for putting every possible man into those war jobs for which he or she was best fitted. Only now, and still half-heartedly, are the authorities getting round to that fundamental and obvious position.

Had we adopted such a policy the instant we recognized that we were facing total war, then food producing farms would not have been stripped of their labor and our manpower in "non-essential" industry would have been trained and fitted into war work long ago. We would not be facing the present dangerous lag in food production, while barbers, beauticians, and waiters were being shown how to milk cows, feed pigs and grow crops.

New Era in Labor Relations

The inquiry of the National Labor Board into the present dangerous and chaotic labor conditions has opened well. In calling for representations from all interested parties, Chairman McTague has wisely sought to secure "background" information from which there is hope that a genuine employer-employee working agreement can be evolved. The frankness and tone of the briefs so far submitted indicates definite progress.

Two important points are made in the briefs of the Chamber of Commerce and the Canadian Manufacturers' Association. The first is that much of the present trouble traces to discrepancies and inconsistencies in the basic wage scales in the same community and the second that the government should undertake an immediate educational campaign to explain to labor the vital connection between the wage ceiling and inflation.

At the bottom of most of our labor troubles to date has been unnecessary friction and misunderstanding which vigorous official action along the lines implied above could clear up. In searching out these stumbling blocks, Mr. Justice McTague is laying the groundwork for a workable labor code, a much better war effort and a better postwar Canada.

The Germans Will Surrender

The Axis debacle in North Africa indicates that the final victory over Germany will not be as bloody or as far away as some commentators would have us believe..

Given good leadership and superiority in equipment, the United Nations can win speedily and without staggering losses. It will only be necessary to convince the Nazis that their case is hopeless and they will surrender.

That was the story in Tunisia.

Up to a point, the Germans fought stubbornly and well, but once the Allies broke through and the enemy was faced with surrender or death, he wisely gave up, and unconditionally. There was no last ditch fighting by the substantial forces cut off between Bizerte and Tunis. Twenty-five thousand men, including six divisional generals, laid down their arms.

The same thing will happen when a successful invasion of the European mainland has been accomplished. It will not be necessary to fight through every hedge and hamlet to Berlin. Face to face with certain, eventual defeat, German resistance will suddenly collapse just as it did in 1918. We have not convinced them of that defeat yet. It will first be necessary to storm the outer land defenses of Europe. But the victory in Tunis indicates the final pattern. The enemy in the Pacific may not fight that way, but the Germans do and will surrender.

The Financial Post's Platform for War

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *A national war cabinet of Canada's best, chosen not on party lines.*
3. *A non-political industrial executive to organize and direct procurement of war supply.*
4. *Pay-as-we-go policy, to the utmost possible limit to avert inflation.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *Planning NOW for postwar, by government and business, to ensure full employment and improving social standards through individual, competitive enterprise.*

No Place For Party Politics

The increasingly evident tendency to introduce party politics into municipal elections draws some pungent criticism in the 1943 Year Book of the Citizens' Research Institute of Canada which observes:

> "There is no Liberal or Conservative or C.C.F. or Social Credit way of paving a sidewalk, building a highway, constructing a dam, laying a sewer or constructing a city hall or parliament buildings.

As pointed out by the Citizens' Research Institute, good local government is almost entirely a matter of good administration. While there may be honest differences of opinion as to what constitutes good administration, such disputes need have no political overtones.

The municipal field offers a useful training ground for those who wish to serve in a bigger political sphere, but the intrusion of party politics into municipal affairs would mean an expansion of the powers of party machines that would lead to grave abuse.

An Excellent Contribution

Leading American publications this month are carrying generous advertisements sponsored by Eaton's of Canada featuring the co-operative war effort of Canada and the United States. This is the third successive year that this great Canadian merchandising firm has made this contribution to our century and a quarter good neighbor record.

Like previous series the messages this year are particularly timely introducing through the key American figures of Donald Nelson, Henry Kaiser and General Arnold, Canadian achievements in armament production, ship buildings and air training respectively. Viewing what Canada has accomplished from the standpoint of a third party, and carried by so many of the country's leading publications, this tactful series of advertisements should carry a great deal of weight in the most influential quarters.

Planning Alone Not Enough

"We must not fall into the error of making our studies an end in themselves. The knowledge we gain must be put to good use."

There is some very sound advice for all the multitudinous groups talking about postwar planning. It is contained in a report on postwar planning to the Rotary Club of Toronto prepared as a basis of discussion by W. Gilbert Robertson.

Postwar planning is essential and now is the time to do it. But one fears that some of the so-called postwar planning now going on is just talk with some people wallowing in happy dreams of what can be sheer escapism.

Postwar plans have to be pulled down out of the air, made concrete and practicable and machinery provided and made ready to put them into action when the time comes. Talk alone won't do the job.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Collective Assistance is Imperative

Sir Norman Angell, distinguished British author and lecturer and frequent contributor of special articles to The Financial Post, declares that if peace is to prevail next time, then the democracies must be prepared to defend it by collective assistance. Sir Norman's main argument is presented in the following paragraphs from his recent speech delivered before the Unitarian Laymen's League, at Tarrytown, New York.

• • •

Many of us feel perhaps that when the enemy has been defeated the job will be done. But we must keep reminding ourselves that we defeated him completely, utterly, twenty-five years ago. Then why do we now have to do it all over again in a second world war in many respects bloodier, more devastating than the last? If we don't answer that question in our minds we shall not profit by experience, and may make exactly the same mistakes all over again. We may once more throw away our victory.

Why did our peace fail? Why is the freedom of 90% of the people of the earth now in jeopardy?

Within a year or two the whole grand alliance which had fought the war against Germany had gone to pieces. Long before the Peace Conference was over, bitter differences had arisen between practically every member of the alliance. Britain and America were at outs with one another and both with France. France, you recall, had surrendered her policy of a separate Rhineland Republic and a complete permanently fortified Rhine frontier, in return for a promise of aid from Britain and America in the event of another German attack. Those Anglo-American guarantees of French security were never ratified; and it was from that moment that the postwar peace of Europe began to disintegrate.

If disintegrations of that kind, and the tempers which go with them, are to mark the period of victory when it comes, what is the good of talking about the permanent repression, not, this time, merely of one people like the German but of two such nations, Japan in addition to Germany.

I suggest that whatever policy we ultimately adopt our freedom can never be secure unless we recognize, far more clearly than we have done in the past, that the real price of freedom carries certain duties, obligations we have repudiated and duties we have neglected.

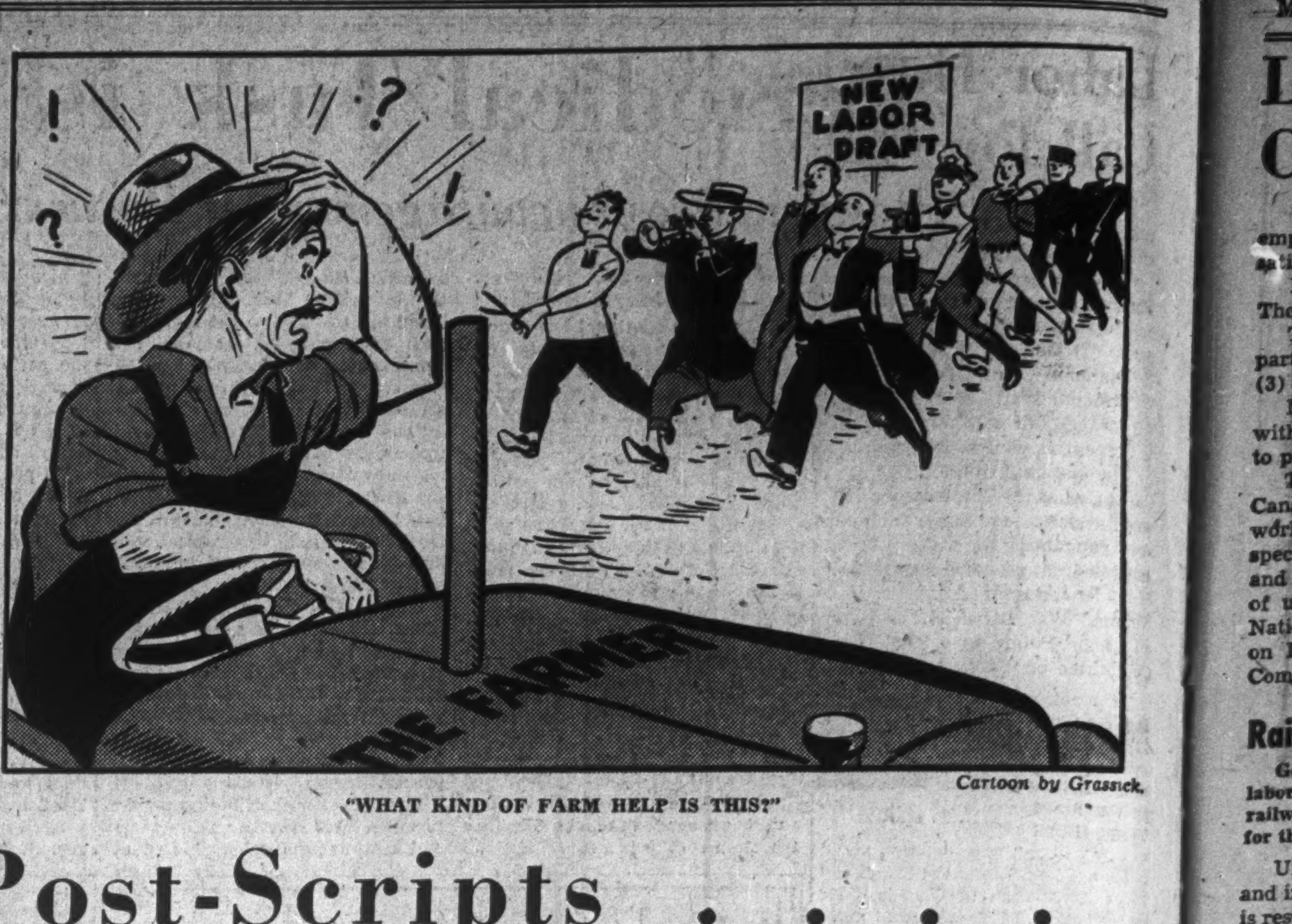
States have perished as free nations because each said in effect this: "We refuse to be concerned in defending the security or the rights of others; we will defend only our own." Because, all said this in one form or another they were all at Hitler's mercy; at his mercy however much they armed. A Norway or a Denmark might devote 90% of all its national resources to arms and they would still be at his mercy. How could a Norway of less than three millions defend itself against a Germany of 80 millions? The more these democracies armed while refusing to co-operate for mutual defense, the better were the Nazis pleased, for they knew that the arms they piled up would, by their inevitable conquest, become instrument of Nazi power.

If each is to be his own and sole defender, then any minority which can make itself stronger than one can place not one, but all, at its mercy. To ensure the right to life, the right of the 90% not to be killed, destroyed, enslaved, by the 10%, is the first right which we have to ensure, because without it no other right whatsoever, whether of religious or intellectual freedom or economic welfare, has the slightest value.

Yet it is not going to be easy. It is going to be exceedingly difficult. History, experience, would seem to show that it is the most difficult of all the tasks to which men can set their hands. Probably it cannot be done at all unless we put it first — put it first, not because it is the only thing men need do, but because unless it is done, all other objectives will be put in jeopardy. We did not put it first at the last peacemaking. We put various phases of nationalism and nationalist spites a long way ahead of it.

We are not putting this purpose first now. Indeed we are apt to insist that of itself it will not suffice to move men; that the people will not work, and fight merely to be free of violence and terror and enslavement; that they must be offered new economic orders of one kind or another. Yet that new economic order itself cannot possibly survive—as Russia is finding—unless we fulfill this other condition of common resistance to violence.

It serves no purpose to create a new social order, as Russia has discovered, if it cannot be defended. And it can only be defended, again as Russia has discovered, collectively, with the aid of other nations which may not share at all the same social ideology.



Cartoon by Grassick.

"WHAT KIND OF FARM HELP IS THIS?"

Post-Scripts . . . .

Native Son

A native son heads the Toronto Canadian Club this year. He is Richard George Meech, K.C., quiet, and youthful secretary-treasurer and director of Loblaw Groceterias Co.

MR. MEECH

Meech was born in Toronto seven years before the turn of the century, educated in the public schools of that city, graduated from the University of Toronto and Osgoode Hall, and has spent practically his whole life in and around the capital of Ontario. Like thousands of other Canadians of his generation, however, he left his native city during the first Great War. He went overseas with the Eaton Machine Gun Battery as a private, later transferred and secured a commission with the old Royal Flying Corps, predecessor of the RAF. On his return he did not continue flying, but buckled down to the study of law.

Eventually he became a partner with the well known Toronto legal firm, Long and Daly, which specialized in corporation law. Incidentally in serving as president of the Canadian Club, Meech is following in the footsteps of two members of his old firm, the late E. G. Long, K.C., and R. O. Daly, K.C. Dick Meech specialized in corporation finance, and it was his talents in this connection which brought him and the expanding Loblaw organization together in 1940.

For recreation, R. G. Meech enjoyed in the leisurely days of peace, golf, swimming, fishing, badminton and photography. Now matters like Victory Loans, and other war work take up most of his spare time. However, he is still hopeful of getting in some trout fishing.

The Meech family is a hundred per cent on war, the daughter, Elizabeth, is in North Africa with ENSA, a British military entertainment organization, and the son, Richard, with the RCAF at Uplands, near Ottawa.

• • •

Trouble Shooter

Douglas Ambridge, new boss of naval shipbuilding in Canada shuns the personal spotlight. If there has to be publicity he likes it short and to the point.

Briefly, he was born in Mexico City where his father (a Canadian) was interested in a silver and copper mining property. He was sent to boarding school at Lower Canada, later graduated from McGill as a chemical engineer, after serving 3 years overseas with the 25th Battery, C.F.A. He went to work for Abitibi Paper, then followed Robert McInnis to Quebec when the latter was made head of Anglo-Canadian. In 1928, he was appointed general superintendent of Anglo Paper. He also spent considerable time in Newfoundland looking after Anglo's properties in that country. In 1936 he joined Ontario Paper when a top-flight executive was wanted to superintend the building of that company's huge new development at Comeau Bay.

Ambridge came to Ottawa in 1941 at the request of his friend Desmond Clarke who had been named director-general of naval shipbuilding. He intended to stay only five months and did in fact get clear of shipbuilding at the end of that time only to find himself involved in the big synthetic rubber development at Sarnia.

Now Sarnia is apparently "over the hump" and naval shipbuilding needs a strong and determined hand to lift it through the next few critical months.

That's why the Minister of Munitions has called Ambridge back to Ottawa.

He's got a tough job; but he's tough himself.

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A Man of Experience

Short, stocky Gilbert Sutherland Stairs is the 1943-44 president of Montreal's Canadian Club, largest of its kind in Canada. It is a position which is not taken lightly, nor is the honor extended without due and careful consideration. In selecting Col. Stairs for the job, the club picked a man who has been eminently successful as a corporation lawyer, long identified with military affairs and one who has had considerable experience as president of other organizations.

MR. STAIRS

Like many other successful Montrealers, Colonel Stairs hails from the Maritimes. In fact, it is almost axiomatic that, a man bearing the name of "Stairs" is a Bluenose, though in the last generation quite a number have drifted to Upper Canada.

Born in Dartmouth, which many Haligonians looked upon as a suburb to their own city, Colonel Stairs started on the educational treadmill by attending the Halifax Academy. From there he went to Dalhousie, which has a habit of turning out very able lawyers. Followed a postgraduate course at the Harvard Law School. Then for good measure he went to Oxford University as a Rhodes scholar.

Colonel Stairs was called to the Nova Scotia bar in 1909. Shortly after he migrated to Montreal where he entered the firm of Mitchell, McGibbon and Stairs and in 1912 was admitted to the Quebec Bar. While with this firm he had the advantage of working under and with Dr. Mitchell, whose profound knowledge of Canadian corporation law is still mentioned with respect by his successors. It is but natural that Colonel Stairs specialized on corporation law, a field in which he has made a reputation for himself and the firm which he heads.

Aside from his law practice, Colonel Stairs has always taken a keen interest in the militia. In 1907 he joined the 66th Princess Louise Fusiliers in Halifax. On his removal to Montreal he joined up as captain and adjutant with the Canadian Grenadier Guards on its reorganization in 1912. When the last war came along he was attached to the 87th Battalion in 1915 as a junior major. The following year he was second in command of the 245th Battalion. In order to get to France he took a step down in rank and transferred back to the 87th as captain. He stayed with this unit until the end of the war. Following the war he was made an honorary Lieutenant-Colonel of the Guards.

His long connection with the militia is to be seen in his way of talking, walking and even in the cut of his topcoat which is fashioned after that worn by the Grenadier Guards.

With his military and legal background, Colonel Stairs should have no difficulty in maintaining the high standards set by previous presidents of Montreal's Canadian Club.

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P. E. I.'s Premier

Hon. John Walter Jones, new premier of Prince Edward Island, was born in Pownal, about 10 miles from Charlottetown, in 1878. While receiving his early education in the public school of the district, he also worked around the home farm. He entered Prince of Wales College in 1897 and completed a course for a first class teacher's license the following year.

Young Jones taught school for a few years until awarded an $800 fellowship at Cornell, Chicago, Columbia and Clark Universities. He also attended the Ontario Agricultural College at Guelph, Ont., and Acadia University. In 1904 Mr. Jones supervised the construction of the MacDonald Consolidated School several miles from Charlottetown and was principal of that institution from 1905 to 1907.

Jones returned to the Ontario Agricultural College in 1907 and despite the fact that he graduated in two instead of the usual four years he took an active part in rugby and other sports. From Guelph he went to the United States teaching science and agriculture in Virginia and later entering the United States Civil Service as expert in experimental technology. He was put in charge of the Arlington Experimental Farm, then the largest of its kind in the world, and housing the laboratory of the Bureau of Plant Industry of the U. S. Department of Agriculture at Washington, D.C.

An interesting phase of Mr. Jones' life began in 1912 when he became interested in fur farming and was given a position on the Commission of Conservation, Ottawa, to investigate that new Canadian industry. In 1913 he published the report in book form entitled, "Fur Farming in Canada," which is still the text book of fur farming and is known the world over.

In 1914 Walter Jones took up fur farming in Prince Edward Island and four years later established a herd of registered Holstein cattle which has become internationally known. In 1914 he received an M.A. from Acadia University for studies in Economics. In 1917-1918 he visited Europe and also spent several months there in 1927. In 1937 he made a further study of the fur industry with a view to organizing it and securing favorable trade treaties. He called a convention at Ottawa which resulted in the desired organization and the appointment of a Fur Trade Commissioner.

In 1935 Mr. Jones was elected to the P.E.I. Legislature for Belfast and was re-elected in 1939. Prince Edward Island's new premier was awarded the George V Medal for being the outstanding farmer in Prince Edward Island in 1935. He also won the award of Master-Breeder, from the Holstein-Friesian Association of Canada. This was the first time the award was given to an individual farmer.

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The Mail-box . .

Jamaica or Newfoundland

Why Canada should want Jamaica when it passed-up Newfoundland, right next door, I do not know. Newfoundland is a "natural"; Jamaica, decidedly is not.

Jamaica is a beautiful island and a grand place for the old folks to spend the cold winter months, or for those that have business relations with the island. Beyond that Canadians in general can have no interest in the people of Jamaica. Make your trade treaty with Jamaica and keep it strictly a business proposition. That is all Jamaica wants, I am sure.

Now do not overlook Newfoundland and think back a bit. Canada lost the Oregon territory to the United States, also Maine because we were apparently not interested; then there was Alaska. Now look out, Uncle Sam will get Newfoundland too.

H. GLYDE GREGORY.

Havana, Cuba.

Ed. Note: Practically all those queried in a recent Post questionnaire were likewise opposed to Canadian-Jamaican union.

The Financial Post
Member Audit Bureau of Circulations
A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.
DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor
Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.
JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
FLOYD S. CHALMERS, Executive Vice-president.
B. G. NEWTON, Vice-president.
Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $8.
Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.
Montreal: Dominion Square Building. Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
Ottawa: 260 Irving Ave. (Tel. 2-0647); Kenneth R. Wilson, Resident Correspondent.
New York: 522 Fifth Ave.
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Pall Mall, S.W.1.

Other People's Views . . . . .

The Canadian Editorial of the Week

Chaotic Inefficiency

Ottawa Journal

In Ottawa city council Mayor Lewis said a pointed, sensible thing, namely: That it was hardly right to expect people to leave the cities to go and work on farms when such people knew that thousands had left the farms to come and work in the cities. That, in fact, is the real weakness of the government's labor policy.

Haphazard and hit-and-miss from the first, its planlessness has resulted in chaotic inefficiency, with men in the armed services who should be in factories and on farms, and men in factories and on farms who should be in the armed services, and men in the cities who should have been kept on farms.

Only now, when we are deep in the fourth year of the war, and when labor confusion threatens to disrupt the war effort, is an attempt being made, and pretty feebly, to unscramble the hopeless consequences of the government's own incapacity.

From the very beginning, the Government's war labor policy has been a patchwork; a series of expedients to cloak political fear of conscription. We have had endless speeches, and mobilization resolutions in Parliament, and complicated registrations, and announcements over the radio; but always the Government, pretending to bravery, was drawing a visionary sword—lacked the courage to get down to the one thing that is essential on the home front and the battle front in the waging of total war.

We wish we could say that the Government has had a change of heart. It would be hypocrisy to say it. What we are witnessing now is an eleventh-hour concession to desperate need—with the concession doubtful in merit. That is the fact; and there are no other facts.

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As Others See Us . . .

Belated Thinking

Durham Chronicle

The Toronto Financial Post believes a good deal of the farmers' woes has been caused by what it terms "thinking done too late," and quotes a Toronto speaker, who recently made the statement that the country was going to have an acute shortage of agricultural labor. The Post rightly opines: "It is precisely this sort of belated thinking that is responsible for our present food predicament."

The Post thinks that the powers that be made the mistake of thinking that agriculture and wheat are synonymous and, because we had a large carryover of wheat, it necessarily followed there would be a big carry-over of everything else.

Had the powers at Ottawa listened two or three years ago to papers like The Post and others close to the mixed farming business, our farm muddle would at least not have been so serious. We don't believe anybody is foolish enough to think it would not have been hurt at all, for it is impossible to engage in a war like the present without disrupting every business. Farming, however, in wartime is an important industry. It is almost as important as having men at the front, for these must be fed. As such our food problem should have been given some special consideration. Instead, farming was placed in the same category as every other business and had to get along as best it could.

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Food Production

Stouffville (Ont.) Tribune

Discussing the farm situation for the coming season Gordon L. Smith, writing in The Financial Post under his "Business of Farming," feature, refers to the huge increases the farmers are asked to produce especially in meats and dairy products. Rightfully, he doubts their ability to reach the objective because of the labor situation.

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Hitler's Deputy

St. Catharines Standard

"Hitler's deputy in Canada is inflation," says The Financial Post in a full page "Back the Attack" appeal for the Victory Loan. Taxes and the Victory Loans are the sound methods of warding off the vicious and destroying evil condition, when a dollar will not buy a newspaper. How many people realize just what inflation means? The Post, in a few short paragraphs, puts the case succinctly.

Every puncture in the ceiling on wages and prices, every leak in it, is just another advance toward an inflationary condition. And that condition would not only ruin tens of thousands of individuals of thrift and enterprise, but it would rock, if not destroy, the whole structure of Canadian society.

The Victory Loan will not only help win the war, but it will help to save the country from within and forestall violence to the common Canadian way of life.

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Looks Like Waste

Brantford Expositor

When it was revealed in Parliament that the Canadian Wartime Information Board had cost the taxpayers $579,000 in six and a half months of operation, there was naturally some questioning as to the need for so large an expenditure. As The Financial Post of Toronto says, the proper approach to the problem is not through indiscriminate attacking of salary schedules but rather through an examination of what the public got for its money. The Post's subsequent conclusion is that "all the evidence shows that (the taxpayer) has got very little indeed, except a large staff of varying degrees of impressiveness."

Even tempering this judgment by agreeing that public relations officers have a proper place and that official propaganda is useful and necessary in wartime, it is still not clear that the Wartime Information Board has been devoting either its talents or the people's money to the most useful or most necessary kinds of information or propaganda (using the latter word in its true meaning). Here is a matter which calls for early and efficient investigation and correction. Propaganda can and should be a powerful weapon in Canada's armament. Up to the present it has been poorly forged and ineptly wielded.

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Sayings of the Week

"The most important thing to see to after this war is won is that we never have another."—*Lord Halifax.*

• • •

"Working together (Canada and Great Britain) we can maintain the greatest air routes in the world."—*Col. George Drew.*

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Stop Me If . . . .

An inebriate was weaving his way down Main Street. Clutching a passerby, he asked, "Mister, where am I?"

"You're at the corner of Main and King Streets," exclaimed the good Samaritan.

"Never mind the details," exclaimed the bewildered one, "what city is this?"

Labor Hearing Briefs Call for Major Reforms

(Continued from page 1)

employer in securing utmost production for prosecution of war and satisfaction of peacetime needs.

Multiple labor laws, federal and provincial are causing confusion. There is a need for codification; all legislation should be reviewed.

The organization to deal with labor problems should be in three parts: (1) Department of Labor; (2) National War Labor Board and (3) National Council on Labor Relations.

National War Labor Board should have power to deal not only with wages, but with all other matters and to act on its own initiative to prevent as well as settle disputes.

The National Council on Labor Relations suggested should do in Canada what the International Labor Office has done throughout the world. Such a council would consider and advise on policy in respect to framing legislation; it would be a continuing body for study and research; promote dissemination of information and development of understanding. Attached to it as subcommittees would be the National War Labor Advisory Committee, Consultative Committee on Labor Policy and the Advisory Council to Interdepartmental Committee on Labor-Management-Production Committees.

* * *

Railway Unions

General conference committee representing the 18 standard railway labor organizations and the Dominion joint legislative committee of the railway transportation brotherhoods presented a memorandum speaking for the 140,000 railway workers.

Unnecessary delay in determining amount of cost of living bonus and in securing a decision on matters coming before war labor boards is responsible for loss of confidence in sincerity of government policy and its effective prosecution. There should not be any need for taking a strike vote before a conciliation board can be appointed; such boards should be required to act without delay and present a report within 30 days.

Recognition of the right to organize and bargain collectively is the first essential step toward avoidance of strikes. Expeditious investigation into disputes would help.

Cost of living figures as compiled by the Dominion Bureau of Statistics do not reflect actual purchasing price for the consumer. Use of subsidies paid out of taxes to keep the index down and thus avoid payment of higher bonus works to the general disadvantage of the workers. Rationing may be necessary to a degree but fails to consider living conditions relative to occupational requirements.

The so-called living wage should not be a factor in determining wage rates, a worker being entitled to more than what is thus referred to.

The government should not name a person to represent labor unless labor has been consulted and permitted to make a nomination.

* * *

Regional Boards

Regional labor boards and provincial labor departments, appearing before the Ottawa hearing, presented varying views on the problems being investigated of which the following are typical.

Hon. L. D. Currie, K.C., Nova Scotia minister of labor, speaking in the dual role of representative of the N. S. Regional Board and provincial labor minister, gave full support to the government's policy of wage and price control, holding that any disturbance of the established policy would have a serious effect on both the war effort and the postwar wage policy. He said that those opposing collective bargaining were making a mistake and added his view that there should be extension of Dominion participation in labor control field after consultation with the provinces. Some of the powers now enjoyed by the provinces should be transferred to the Dominion.

Adam Bell, deputy labor minister for British Columbia, spoke in support of the "very effective" legislation now on the B. C. books and opposed centring control of labor matters at Ottawa, although admitting some Dominion intervention was necessary.

Hon. Peter Heenan, Ontario minister of labor, urged Dominion legislation removing any question as to legality of provincial collective bargaining laws.

W. E. Wilson, chief executive officer of the Manitoba Regional Board, presented a brief recommending that, unless substantial injustices had to be corrected, wage adjustments should be through the cost of living bonus and that this bonus should only be paid where hardship was clearly established.

* * *

Canadian Manufacturers

L. L. Lang, president of the Canadian Manufacturers' Association, an organization including some 4,500 manufacturers across Canada and producing an estimated 75% of all Canadian manufactured goods, presented these recommendations and opinions on behalf of the association.

Key to good employer-employee relations is mutual confidence, a large measure of which now exists so far as the great majority of industrial workers and their employers are concerned. Most labor unions are playing the game and not seeking to take undue advantage of the country's extremity.

Chief underlying cause of present labor unrest is the "deliberate program of certain labor unions to take advantage of the country's desperate need of labor to exact higher and higher wages regardless of the resultant danger of disastrous inflation and to build up the membership of their unions by demonstrating their ability to secure such higher wages, if necessary, in defiance of the law."

An intensive educational campaign should be instituted by the government to explain to labor its own interest in combating inflation by maintaining wage ceilings.

A stop should be put to "open flouting" of the Industrial Disputes Investigation Act prohibition against strikes pending investigation and a report by a conciliation board.

Passing legislation compelling employers to bargain collectively with whatever union manages to get a majority of the votes of the employees in the particular establishment does not mean increased harmony and disappearance of unrest and dislocation. Nor is it sound to determine employer-employee relations for the whole future on the basis of the abnormal conditions of wartime.

In the event that legislation is passed making collective bargaining compulsory, responsibilities of unions should be provided for by requiring registration of unions, filing of constitution, by-laws and financial returns, determining legal responsibility of unions in carrying out contracts, establishing legal responsibility of employers and preventing self-perpetuating officers for unions by requiring annual free elections.

Right of employees to join union or to refrain from joining should be established. Where existing independent unions, shop committees or other methods, are giving satisfaction, workers should be protected in their right to join such independent unions. The closed shop and the check-off system of collecting union dues have no place in any legislation on collective bargaining.

The National War Labor Board should help to secure uniform interpretation of legislation or orders in council by issuing directives for guidance of regional boards on a variety of subjects such as overtime rates of pay, holidays with pay, etc. Greater co-ordination between administration of National Selective Service and the Wages Order is needed and could be achieved by forbidding workers in an essential industry to leave their jobs to secure more pay elsewhere.

Best way to achieve greater uniformity for cost of living bonus would be to make any wage increases found necessary through increases in the bonus up to the maximum instead of higher basic wages. There is no present need for extensions of existing minimum wage legislation whether in the form of a "living wage" or a "floor" below which the wage control orders need not operate. Local standards continue to govern determination of wages.

New Teeth For the Revenuers

Ottawa Moves in on "Family" Business

By KENNETH R. WILSON

OTTAWA.—Don't try to evade income tax by putting your company through a series of intricate incorporation "jumps."

That's the advice to owners of closely held "family" business concerns with big undistributed surplus accounts now that the government has passed its new amendment giving the treasury wide-open powers to check up on such tax "avoidance."

Actually Mr. Ilsley, in passing the measure, expressed the utmost sympathy for persons whose assets were tied up in private companies with big surplus accounts and who are now caught between the millstones of unconscionable tax and succession duty liability. He promised some help within a year "which will give some relief to the person who is confronted with the combination of heavy income taxes and succession duties and who has a large earned surplus or a large amount of undistributed income in his business."

But there is trouble ahead for those who try to avoid their present admittedly intolerable plight by complicated incorporation devices. As a result of the amendment introduced recently in Parliament by Mr. Ilsley and passed just prior to the Easter recess, the Treasury Board gained unprecedented power to make "highly discretionary determination" of the tax liability of any person or persons who by "any transaction or transactions" sought to avoid or reduce that liability "directly or through the medium of third parties or by the creation of new or intermediary companies."

Few Affected

Who is likely to be affected by the new powers?

On this point there is the darkest secrecy.

Under closest questioning in the House of Commons Mr. Ilsley refused to give the slightest inkling of what sort of transactions had been under review to warrant his asking for these new powers. He did cite one instance back in 1938 or thereabouts where a company had tried to evade taxation on $3 millions undistributed surplus, by foreign incorporation. In this case under much milder powers, the Treasury Board had summoned the parties to appear before it and had succeeded in recovering a very large sum for the treasury.

Unofficially it is insisted that the "cases" which Ottawa now wants to review (and which presumably it has not felt it could review under its previous authority) are very few in number. At the most there might be a dozen; perhaps only five or six. These cases concern for the most part the "pattern" of a closely-held "family" company with a large undistributed surplus whose shares are very closely held by one or a few individuals, one of whom looks forward to retiring.

The aim, of course is to achieve this retirement free from present emergency income tax rates, particularly in view of the fact that the value of such an estate for succession duty purposes would be the value before the surplus was taken out and before the payment of taxes.

Intricate Devices

It is claimed that in a few cases the most intricate corporate changes have been undertaken with a view to removing such undistributed surplus profits without payment of income tax.

Presumably, these changes do not take place simultaneously and of themselves are not particularly alarming. Placed together, however, they are claimed to indicate to income tax officials that they lack "good business reason" and that they have been done with the "main purpose" of tax avoidance.

In one case it is reported that it takes four pages of complicated corporation changes to trace the steps used to achieve this end.

One arrangement is to have a company with a capital "deficit" take over the undistributed surplus of the original business, preparatory to other corporate changes. Some of the programs start in very simple ways, such as the changing of preferred to common shares, etc.

It is indicated that it is the "intent" of the transaction which is chiefly under review —an answer to the question, "has the transaction or transactions good business reasons?"

Since there are probably tens of thousands of companies throughout Canada with undistributed surplus accounts, the extent to which the new powers will be used will be of very wide interest. As already indicated it is now thought unlikely that there will be more than half a dozen, perhaps fewer, cases before the Treasury Board under present plans and available information.

The key is, of course, undistributed surplus. This is what income tax officials watch like a hawk. When they see it disappearing they want to know where and why. If they suspect it has disappeared through corporate changes and transactions which were for the main purpose of avoiding tax rather than for "good business reason" they will probably recommend that the Treasury Board act.

Under those circumstances, the subcommittee of cabinet, known as Treasury Board, has now the power to levy additional taxation wherever it is of the opinion "that the main purpose for which any transaction or transactions was or were effected was the avoidance or reduction of liability to tax."

Colonial Airways Seeks Ottawa-Washington Run

From Our Own Correspondent

MONTREAL.—Colonial Airways Inc., which now operates a service between New York and Montreal, has applied to the Civil Aeronautics Board at Washington for a license to operate an air line from Ottawa to Binghampton, N.Y., to Washington by way of Harrisburg, Pa.

It is intended that the route applied for will be in addition to the present application now pending from New York to Massena, N.Y., with stops at Syracuse, Binghampton and Watertown, N.Y.

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They want to regain those things which free people everywhere hold dear.

IN Canada we are fighting and working and saving to secure for ourselves and others a world that will be really free.

Our future security is everybody's business.

Security has to be paid for.

It must come out of our own pockets.

• • •

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We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

Income Tax

Employed at Washington

A Canadian-born girl is now employed at Washington in one of the British government war departments there. Her salary is about $150 a months. Is she liable for Canadian income tax?

Yes, she will be liable for Canadian income tax for the whole of the year in which she left Canada. After that her liability for Canadian tax ceases. She may be held liable for United States income tax. In that case she can offset the tax paid in the United States against the amount due the Canadian government.

Child Born in August

A woman whose husband is in the air force, and who is earning more than $660 a year is taxed as a single person. If a child is born in August can she claim any deductions from income tax on this account?

Yes, she can claim a deduction of $80 from the amount of her graduated tax due and $28 from her normal tax.

In U. S. Consular Service

I am a Canadian born and a Canadian resident. If I accept a position with the United States consular service for duty in Canada will I be liable for income tax here?

Yes, because you are a Canadian. If you were an American in the United States consular service in this country, you would not be liable for Canadian income tax.

Investments

Bathurst

Please let me have a report on the position of Bathurst Power & Paper Co. In particular, I would like to know the outlook for earnings this year.

Bathurst Power & Paper Co. has shown a consistent increase in sales over a period of several years. At the same time earnings have tended to increase, despite heavier taxation, and in 1942 $1.80 a share was earned on the class A stock. The only time earnings were ever reported on the class B stock was in 1941 when 17 cents a share was earned. Financially the company occupies a strong position, net working capital at the beginning of the year amounting to $4.2 millions.

It is questionable if the company can maintain the 1942 rate of earnings. During the first two months of 1943 there was a substantial decline in income, as compared with the like period in 1942. At the annual meeting of the company, R. L. Weldon, president, stated that under the conditions which prevail, it would appear certain that no abatement of the trend in rising costs can be expected, and if no relief is obtained in the matter of selling prices, earnings must be considered as being established on a definitely lower basis. The policy in regard to dividend payments, he added, must be related to the current earnings of the year.

Power Corp. of Canada

Can you tell me how Power Corp. of Canada has been faring? I would like to know if the preferred dividend has been earned.

Power Corp. of Canada's position has been maintained. In the 1942 fiscal year, dividends on the first and second preferred stock were covered by a comfortable margin, while that available on the common stock totalled 42 cents a share. This was a little better than half of the average of the preceding five years. The company has a substantial interest in a number of important electrical utilities in Canada and elsewhere.

Moose Jaw

I understand that the bonds of Moose Jaw, Sask., are in default. Is there anything recent on this situation?

Moose Jaw defaulted on its bonds in 1937. Since that time many efforts have been made to bring representatives of Moose Jaw and of the bondholders committee together on a plan to bring the city out of default. The latest of these conversations was held in January.

The bondholders committee suggested a plan at that time which briefly provided for cancellation of one half of the arrears of interest outstanding, payment of the other half in cash and a refunding of the principal debt in the hands of the public on a 25 year basis at an interest rate of 4% for the first five years and 4½% thereafter. The city made a counter offer which provided for cancellation of all interest on existing debentures with interest rate on the refunding issue to be reduced to 3% for the first five years, 3½% for the second five years, 4% for the third and 4½% for the final ten years.

No compromise could be arranged between these two viewpoints and for the time being the negotiations are at a standstill.

Standard Radio

How have recent earnings of Standard Radio been running? What stations does it control?

Standard Radio Ltd. is understood to have realized earnings in the year ended March 31, 1943, approximately on the same level as in the preceding year when 50c. a share was earned on the combined classes A and B stocks. The company is paying dividends at the rate of 40c. a share annually.

Standard Radio is a holding company which owns, through a subsidiary, radio broadcasting station CFRB and short wave station CFRX with studios in Toronto. The company's shares are not actively traded although the class A is listed on the Toronto Stock Exchange.

Aldermac Copper

With the tremendous war demand for metals, I am at a loss to understand the present low price of Aldermac Copper Corp. shares. Can you explain this for me?

Aldermac Copper Corp. has fallen on hard times and this is reflected in the price of the company's stock. Exploration has failed to reveal any important new sources of ore either laterally or at a depth and it appears existing reserves are being used up rather rapidly with the company not realizing very much in the way of profit.

The management is alive to this situation, however, and a sharp watch is being kept for some new base metal operation which would provide a chance to recoup the former position. If new property should be found, the 1,000-ton milling plant now being used on the Aldermac property would be a most valuable asset. There have been reports of a new find in Quebec.

Hollinger Consolidated

Will you please sketch for me briefly the present position of Hollinger Consolidated and the outlook from the longer term standpoint after the war? Has the company maintained its ore reserve position the last few years?

Hollinger Consolidated Gold Mines has been suffering from a progressive deterioration in its labor supply. Production rate was reduced from 4,800 tons to 3,500 tons daily last year and recently it has been reported as low as 3,000 tons daily.

So far the company has been able to maintain earnings relatively well. Profits were equal to 91 cents a share in 1942 compared with $1.05 a share for 1941. They may, however, be somewhat lower now. During recent years, the company has followed a policy of treating a grade of ore much lower than the average in reserve. If tonnage falls much further, the company might give consideration to treatment of a better average grade of ore so that the decline in profit would not be comparable to the decline in the milling rate.

From the long-term speculative standpoint, acquisition of a controlling interest in Labrador Mining & Exploration Co. may prove significant. A reconnaissance trip in 1942 revealed interesting mineralization and Hollinger officials are now working on negotiations with American interests with a view to securing their participation in further exploration and development of the large concession involved.

The Hollinger mine has a substantial reserve of ore—approximately five years' milling requirements—and exploration usually replaces all ore milled. It didn't quite do this last year due to the labor shortage. Some further deterioration in earnings may be experienced due to the acute shortage of experienced labor. But from the longer view, it appears the company can maintain production at a high level, and should enjoy a long and profitable career after the war.

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New Wartime Regulations

Post Summary of Latest Ottawa Rulings

COAL. M & S orders Coal, 1, 2 and 3, March 31, restrict purchase, sale and consumption of coal and petroleum coke. Deputy Coal Controller, F. G. Neate.

• • •

RUBBER. M & S order Rubber 6-A, April 1, adjusts maximum prices of rubber. Deputy Rubber Controller, J. A. Martin.

• • •

NEW ELECTRIC STOVES. WPTB order A-701, April 22, restricts sales and manufacture of electric stoves and ranges. Adm. of Electrical Equipment and Supplies, A. L. Brown.

• • •

BUTTER. WPTB order 265, April 22, amends previous orders respecting maximum prices of creamery butter making certain changes in price schedules. WPTB Chm. Donald Gordon.

• • •

RUBBER GARMENTS. WPTB order A-705, April 26, requires that "protective rubber garments," such as raincoats, sou-westers, acid resisting aprons, etc., may be manufactured and sold only in cases of essentiality. Rubber Adm., A. H. Williamson.

• • •

HOUSING. WPTB order A-700, April 26, designates St. Joseph d'Alma, Quebec, a "congested area" subject to order 200. Real Property Adm., Russel S. Smart.

• • •

PHILATELIC ALBUMS. WPTB order 270, April 27, exempts philatelic albums from maximum price regulations. WPTB Chm., Donald Gordon.

• • •

PACIFIC HALIBUT. WPTB order A-708, April 28, sets maximum prices for Pacific Coast frozen halibut. Foods Adm., K. W. Taylor.

• • •

HIGH CARBON CHROM-X. M & S order MC 52, April 28, sets maximum prices for high carbon Chrom-X. Metals Controller, G. C. Bateman.

• • •

MEAT PRICES. WPTB order 260, April 29, makes certain changes in maximum meat prices for various areas. WPTB Chm. Donald Gordon.

• • •

ICE IN OTTAWA. WPTB order A-709, April 30, sets maximum prices for ice in the Ottawa-Hull district. Foods Adm., K. W. Taylor.

• • •

GLASS TOBACCO CONTAINERS. WPTB order A-711, May 4, prohibits packaging of tobacco in glass containers. Adm. of Tobacco, D. Sim.

The Duties of a Trust Company
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• Through rough country and rough weather, Canadian-built mechanized units of the Canadian Army prove under punishing active service conditions that "they have what it takes"!

• Attacking party negotiating barbed wire entanglements upon coming ashore.

by L. S. B. SHAPIRO

War correspondent for the Montreal Gazette and famous for his regular broadcasts from London.

Canadian Army on Manoeuvres, Somewhere in England—You probably never heard of the Battle of Long Crendon. It will not go down in the history of this war. No Axis troops have been defeated in the hills overlooking the picturesque English town called Long Crendon. Yet it was an important battle to the men in the war office, poring over maps and blueprints, who are responsible for the strategy of our coming offensive. These men will remember Long Crendon because it tested the efficiency of Canadian transport. "The dagger pointed at the heart of Berlin" is the Canadian army that must be thrust forward on wheels. Long Crendon proved that Canadians have the wheels and the men to drive them. The "battle" occurred during the great Canadian-British manoeuvres just completed. I was with the Canadians spearheading the attack at the fringe of the "enemy" line. A break-through at this point was important to the whole campaign. Time was short. The zero hour for the battle of Long Crendon was set for six-thirty under lengthening shadows of a setting sun. Transport had to be brought up fast—carriers, artillery, anti-aircraft, ammunition supplies, tanks. Hundreds of vehicles roared through the English countryside. They sped over asphalt highways and struggled across water-logged meadows and rutted country roads. This was a test of speed and mechanical efficiency. Then six-thirty—the zero hour. Our troops moved across a wide valley to attack on high ground overlooking Long Crendon. War Office referees examined our dispositions. The transport was there—all of it. Every supply truck, every carrier, every motor-drawn field piece was in its proper place, mudsplattered but triumphant. Referees gave us the nod. Our men and supplies had arrived in time and in sufficient superiority to overwhelm the "enemy". That's the brief story of the battle of Long Crendon. You won't read it in history books. But our High Command knows as a result of Long Crendon that when the great offensive starts the Canadian dagger will be thrust forward on wheels, with a hundred per cent. efficiency. There was no more significant feature of this gruelling 10 days' workout than the magnificent performance of the Canadian Army's Canadian-built mechanized equipment. I know from personal experience because I moved to the battle line in a General Motors Heavy Duty Personnel Carrier. War correspondents, like armies, move on wheels. And war correspondents, like armies, cannot brook delay. That's why I'm glad I'll have that Chev. at my disposal when we move against the real and deadly enemy.

● In this direct cable, datelined "Canadian Army on Manoeuvres, Somewhere in England," L. S. B. Shapiro, famous war correspondent, pays tribute to the stamina and dependability of the mechanized equipment which Canadian factories are supplying for Canadian fighting men. Throughout the world, in every theatre of war, vehicles built in Canada are wheeling into action. We of General Motors are proud to say that thousands of these vehicles are built in the plants and shops of General Motors of Canada—where, at bench, machine and assembly line, determined men and women stand pledged to the task of keeping them rolling—for Victory!

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THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, May 15, 1943

Four U. S. Air Lines Apply For Trans-Canada Air Rights

Special Correspondence

WASHINGTON.—The American Government has invited its air transport lines, plane manufacturers, in fact the whole aviation industry, to express itself on postwar policies. A significant questionnaire covering the major problems of domestic and global air policies has been mailed by the Civil Aeronautics Board, the governing and policy-making body of U. S. air transport.

It is reported that British-American informal discussions on postwar air policies will start within the next two months.

The poll is sanctioned by the President's interdepartmental committee on postwar aviation policy, which is headed up by one of Mr. Roosevelt's old and trusted brain trusters, Adolph A. Berle, Jr., assistant secretary of state. Outcome of this new move to shape American policy is of tremendous importance to Canada because of the strategic position occupied by the Dominion and Mr. King's recent declaration on Canadian postwar policies.

Four Have Applied

The step comes after four American companies have filed application for "global routes" crossing Canada with the C.A.B. Although the Board here has no intention of holding hearings or acting upon these applications pending clarification of the international air picture, the applications are indicative of the coming scramble by U. S. airlines to be represented in the international field. Compelling urge behind American airlines to enter the international picture is that nearly every major air transport company in the United States is already operating on a global scale under contract to the U. S. Air Transport Command.

Military censorship forbids the identification of lines or the direction of routes but companies that previously handled routine domestic cross-country passenger traffic are now ocean-hopping on regular schedules or going over the roof of the world through Canada on schedules once thought suicidal and now proved comparatively safe. Some of these lines are even operating with pre-war equipment designed only for domestic use. Others, like the hush-hush Consairways project, have grown up without the experience of transport flying but grew out of the fact that Consolidated Vultee Aircraft Corporation undertook to deliver its own products.

Three regularly operating airlines that have filed for "cross Canada" international runs are:

Northwest Airlines, which seeks permission to service Calcutta, via Canada, Alaska, Siberia and China;

Yukon and Southern Airlines, which proposed to run regular service to the Dutch East Indies with a spur line to Manila, via Winnipeg, Edmonton, Alaska and China;

Northeast Airlines, which seeks to cross Nova Scotia and Labrador en route to London.

A fourth company with very modest capital, the Shawmut Air Freight & Transport of Boston, seeks an aerial freight run to London and way points, using a route that would cross Nova Scotia and Newfoundland.

These four applications are only the beginning. Other companies already flying more spectacular runs will also be putting in bids. Northeast, Northwest and Yukon and Southern Airlines really just cashed in for a little prior publicity on current American excitement over postwar air transport prospects. Priority of application does not give any advantage to the petitioner under CAB rules.

American policy on international airways has not yet been formulated, although the Berle committee has been meeting on the average of three times a week for the last two months. Most interesting clue to official American thinking is a speech by L. Welch Pogue chairman of the CAB in the middle west some weeks ago.

Freedom of the Air

This able administrator proposed an international air charter based on what he calls "the right of commercial transit." This boils down to permitting commercial aircraft to fly freely through airspace, except for specified military zones, to land at agreed airports, to refuel to make repairs or to take refuge from bad weather. These rights would not include permission to take on or discharge passengers.

If this were adopted, Pogue would have diplomatic relations establish certain bi-lateral or multi-lateral agreements for rights of "commercial outlets." This would mean establishment of terminals for various air lines. To operate successfully, say from New York to London, an American airline would have to have a commercial outlet in London. But the "right of commercial transit" would permit it to operate through Canada without the U. S. necessarily conceding any special advantage to any Canadian airline.

For this reason Canada will certainly have some reservations on Pogue's first point although the CAB chairman implied in this speech that both Britain and Canada might be expected to back the idea of free air transit. No commitments, even tentative, have been made by Canadians in informal discussions here.

Canada Raises World Problem

Stands for Rights of Small Powers in Allied Discussions

By STAFF WRITER

OTTAWA.—Canada's role as a major United Nations "power" and indeed the whole organization around which the United Nations concept must stand or fall, may soon be decided by events now moving swiftly to a finale.

Although newspaper publicity has centred of late on the United Nations food conference at Hot Springs, Virginia, on May 19, a much more momentous conference is due to be held a few weeks later on the subject of United Nations relief policy.

To the average observer the terms "food" and "relief" may seem at first glance interchangeable.

In terms of United Nations politics, strategy and organization, the two are wide apart.

The food conference has been deliberately planned to discuss questions largely innocuous and noncontroversial. It is purposely to avoid discussion of the highly explosive subject of relief. It will be primarily concerned with the health and nutrition aspect of food rather than the political incidence of the postwar distribution.

That it will be possible to keep the food meeting as simple as all that is unlikely. Nor is it likely that the conference will avoid making at least some important contributions to the technique of United Nations organization and association.

On the other hand, the forthcoming relief conference gets at the very root of postwar politics and controls. It also raises what Canada feels to be an issue of paramount importance—namely the question whether or not matters of high United Nations policy shall, in future, be carried on as a two or as a four-power matter—or whether a more flexible organization shall emerge with three, five, ten or a dozen nations participating, on the strength of their stake and contribution in the subject matter under discussion.

It requires no elaboration as to the fundamental importance of relief, in the postwar scheme of things. Whoever controls the distribution of relief to Europe's starving and naked millions will in all probability control the political destinies of those millions. For relief organization can scarcely be separated from domestic political problems (such as have plagued the United Nations cause in North Africa). Thus Russia (especially) places the utmost importance on United Nations relief plans. So does Britain, so the United States—and a great number of the small nations.

That raises the next vital issue—an issue which has been smouldering under the surface for many months—indeed from the very moment that Britain and the United States joined in writing the Atlantic Charter and in drawing up the more formal declaration of United Nations' policy at Washington. This issue is simply the basic one of organization. How shall the United Nations be organized to implement their charter?

To date, the bulk of the planning, as well as the initiative in organization and discussions, has been taken largely, though not entirely, by Britain or the United States, or both. Other nations have been consulted, of course, but usually in an informal way rather than through official machinery.

The proposed United Nations relief organization started originally as a Four-Power program, but Canada (because of her obvious stake as a major "surplus-producing country") objected.

(Canada has now a front seat at one major United Nations body—the Combined Production and Resources Board with headquarters at Washington. The two other members of the board are Britain and United States).

Canada's objection was not based on selfish motives but primarily because of the principle which our government believed to be at stake. We spoke not so much for ourselves as for the two dozen or more "secondary" powers of which we are unquestionably one of the most important so far as economic and financial considerations are concerned.

Our objection was opposed because to include Canada as a fifth power in the relief organization might (it was argued) open the way for others to seek entry; might also upset the "balance of power" so far as English-speaking nations were concerned.

What is likely is a compromise plan which will probably not give Canada the place on the inner councils which she sought, but which will create a "working body" at a lower level inclusive of Canada and possibly other nations.

Whether or not Canada will raise publicly the whole question of United Nations representation and organization in connection with the relief set-up is not known. It is unlikely. But even if this is not done by Canada, there can be no question that this matter stands as one of the most important and perhaps controversial questions to be faced both now and the future.

If Canada does not publicly raise the matter it is a question which is bound to emerge almost every time a new program is launched unless some thoroughly satisfactory solution has been found.

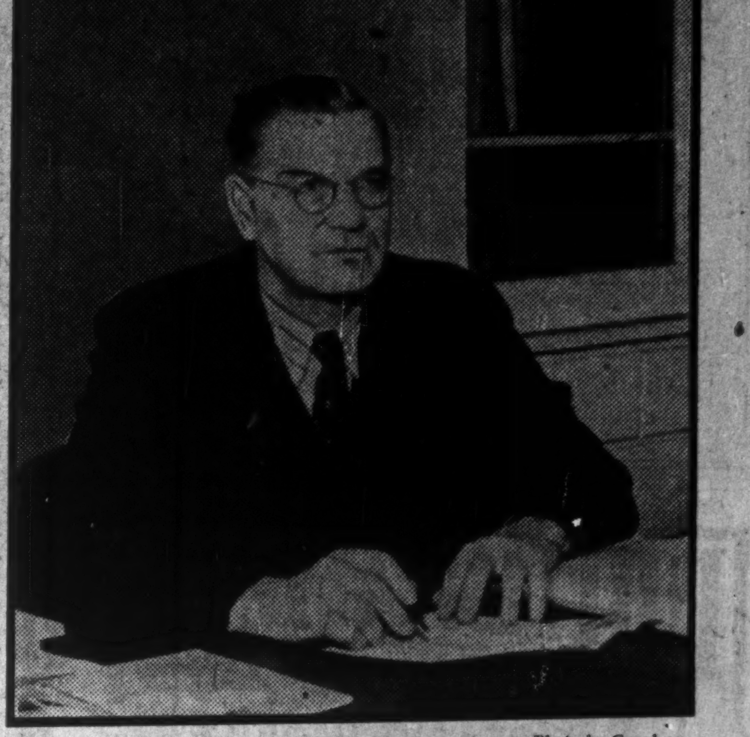
Canada as Champion

If Canada does raise a public discussion on this question it is certain that she will have the support and sympathy of the bulk of the smaller nations who form the United Nations group and who are in agreement with this country that some way should be found to organize both war and postwar machinery so that countries which have a prime stake or contribution in any particular subject may be assured of a place in the inner councils of decision.

In short, Canada is now fighting for something more flexible than a straight Two or Four-Power control machinery.

What happens prior to and during the forthcoming relief conference may largely determine the success of our argument and the ultimate form and strength of the entire postwar United Nations schemes of things.

P. E. I.'s New Chief



—Photo by Garnhum.

This week Hon. J. Walter Jones was sworn in as premier of Prince Edward Island, succeeding Hon. Thane Campbell. Born in P. E. I. in 1878, Premier Jones's experience has included school teaching along with a close interest in agriculture, fur farming and cattle breeding. He took the George V medal in 1935 for being the outstanding farmer of P. E. I. He has been in the legislature since 1935. More about Premier Jones appears on page 6.

Urges Lifting Luxury Ceilings To Halt Inflation Trend

Leading U. S. Merchant Sees OPA Overstaffed With Lawyers — Program Hampered by Inconsistent and Conflicting Regulations

By STAFF WRITER

NEW YORK.—According to the head of a large department store, signs of panic buying of merchandise are just beginning to be seen in the United States.

The panic-buying tendency, he told The Financial Post, is born of a fear that many items may soon become unobtainable, and is dangerous. He feels that if it continues it will extend like wildfire and become impossible to control.

One way to combat it, he submits, is to take the price ceiling off luxury lines and thereby provide a high-price outlet which would tend to keep the cost-of-living items under better control.

While favoring the price control idea, he wants the machinery simplified and made more practical. He points out that OPA in Washington is staffed with 2,700 lawyers—just 270 times more legal men than similar bodies in England carry. The result, he says, is that many OPA regulations are issued in such legalistic terms that they are either hard to understand, contradictory or impractical.

Some of the rulings result in situations where the customer has to pay more for hosiery if it is sold in the basement than on the first floor; or in discrimination against companies selling branded merchandise. Then again, customers must pay 10% more for overalls if they buy them in a small store instead of a big store.

The control system, he says, is filled with inconsistencies: While there is plenty of fancy jewellery there are no watches, which are in great demand by the army; there is a big campaign for victory gardens but a shortage of tools; farmers are asked to produce but there are no incubators and a shortage of many tools to work with; 5,000 bicycles have been frozen for months and the tires are deteriorating; no provision has been made for parts to repair radios and other articles in general use.

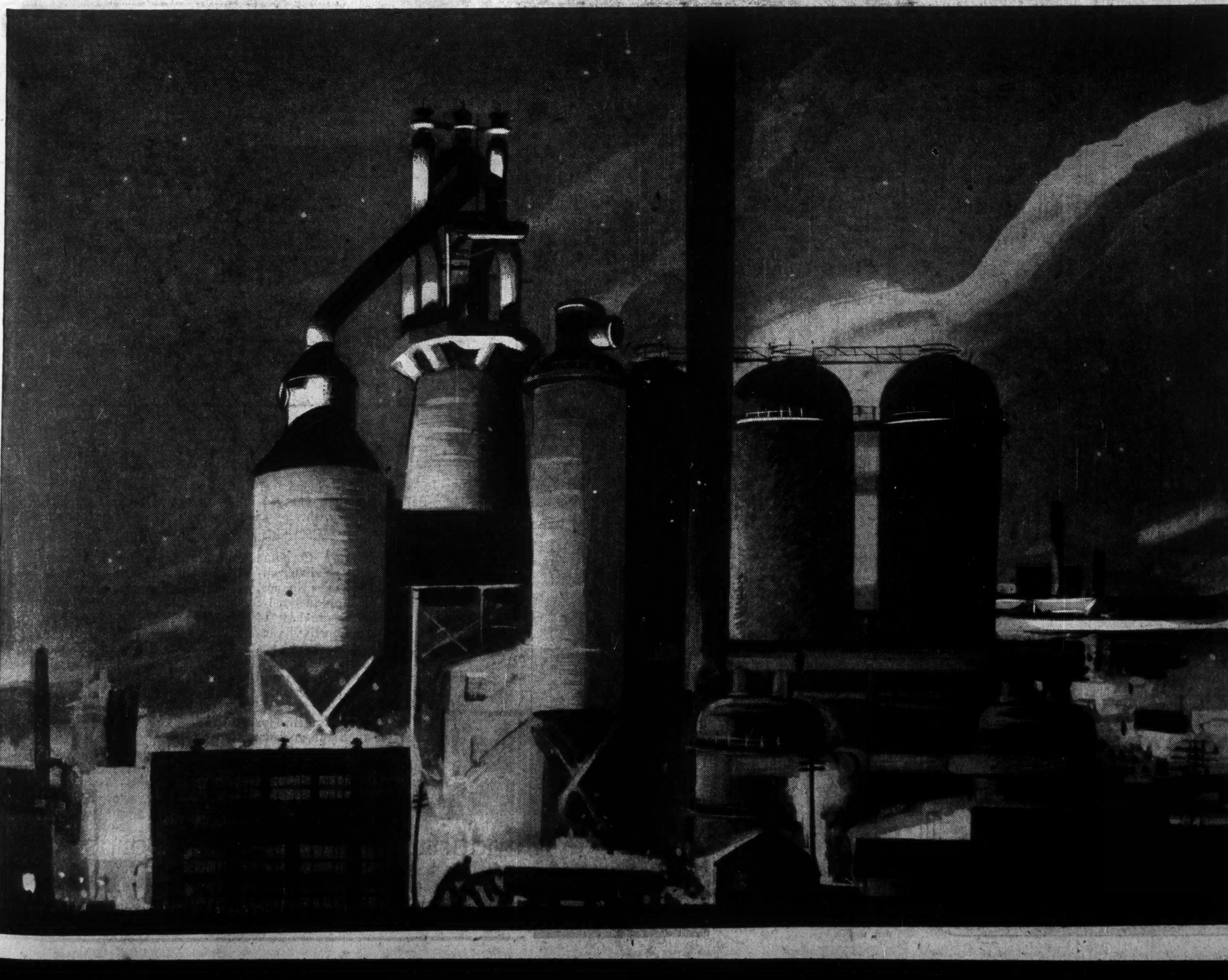
He then has three suggestions for price control improvement:

1. Abolition of the ceiling on luxury goods, so that money may be invested in war bonds;
2. Fix the price on staples which bulk largely in the cost-of-living, and establish a fixed margin of mark-up. Here he follows the British control pattern.
3. Fix prices on basic commodities at the source.

The war, according to this merchant, has created two new classes, the new rich and the new poor. With merchants selling from the stock pile, business volume will be down this year.

In spite of this, he does not favor the Nugent or "buy now" plans. He feels that many changes and improvements will be made in postwar articles and therefore people can not know now what they will want then. He also believes that after the war there will be such a big demand for goods that there will be no need of having any backlog of orders to keep things going.

As against a "buy now" plan, he would prefer to see people put their money in war bonds and be free to buy what they like afterwards.



THIS PICTURE is of Blast Furnace number 5 and accessories about completed at the works of Algoma Steel Corporation, Sault Ste. Marie, Ont. This furnace exceeds the capacity of any furnace in the British Commonwealth and is of the class of the great furnaces built on this continent in support of the Allied war effort. This information is published at this time in support of the Victory Loan Campaign.

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New Brunswick Power Co.'s controlling interest was purchased by F. C. Manning, of Halifax, for approximately $2 millions, according to a statement issued by the Federal Light & Traction Co. which held control of the company for many years.

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Paper Stocks Rise in Value

Market Rather Than Operations Reason for Advance

From Our Own Correspondent

MONTREAL. — Sharply revived interest and higher market values for pulp and paper securities is not predicated on any change, immediate or in prospect, for the industry.

Over the past few weeks security markets in general have had a healthy upswing in values. The pulp and paper group has moved in sympathy, at times has taken the lead.

Lacking any definite change in operations, etc., those closely in touch with pulp and paper matters, are inclined to attribute the higher values to three factors: (1) The general market trend; (2) Readjustment of some values which have been too low; (3) Speculative interest in the low priced stocks.

Healthy Gains Recorded

At this stage practically all the actively-traded pulp and paper stocks are selling at or near their 1943 high:

	1943		
	High	Low	Last
Abitibi	1.10	.65	1.00
Abitibi, pfd.	9¾	5¼	9¼
Bathurst, A	15¼	12½	14
Cons. Paper	4¾	3	4½
Donnacona	5⅛	3¾	5
Dryden	7⅝	5⅝	7⅜
Fraser	17½	12¼	17
Howard Smith	14¼	12	14¼
Lake St. John	18⅜	10	18⅜
Maclaren	18¼	15¾	18¼
Price Bros.	15½	9¼	15
Price Bros., pfd.	75	62	75
St. Law. Corp.	2¼	1¾	2½
St. Law., pfd.	14¼	11½	14
St. Law. Paper, pfd.	41	32½	41½

No Basic Change

Those closely in touch with the industry's affairs say they can't see any over-all improvement in prospect. Production, and in turn consumption, is on a lower basis this year. The recent advance in the price of newsprint paper is not expected to do any more than offset higher costs, so that on balance, net financial returns of the operators for 1943 are not expected to be any better than in 1942. In fact, the majority of companies are likely to show smaller earnings.

The whole outlook of the industry is tied up in the manpower situation. There is no reason for expecting a loosening in the supply of labor this year. Rather is the situation likely to become tighter.

Higher Output Unlikely

With less manpower to carry on, the supply of pulpwood will continue on a restricted basis. This, in turn, may mean less pulp and paper and smaller consumption. However, there is nothing very definite along these lines as yet. As far as 1943 is concerned, it is believed that the operators will have sufficient wood to maintain operations at or near the present level.

Continuing studies are being made in Washington and Montreal as to the pulp, newsprint and general paper situation. This does not mean that further curtailment of consumption is in prospect. The War Production Board in the States and the Pulp and Paper Administration in Canada are simply following closely the trend of production, consumption, etc., so that if necessity demands new plans can be put into force quickly.

There is no further word about a price increase. The last advance was not pleasing to the Canadian and American operators. Instead of $4 a ton, they expected to get at least double that figure and possibly $10 a ton more for newsprint paper alone.

Paper Firms Back Victory Loan

From Our Own Correspondent

MONTREAL.—With nearly $14 millions subscribed at the halfway mark, indications are Canada's pulp and paper companies will take up nearly $20 millions of the 4th Victory Loan by the time the campaign ends. Heading the list so far are Ontario Paper and Quebec North Shore Paper Cos. and Canadian International Paper Co. with purchases of over $3 millions each.

The recorded subscriptions to date follow

Ontario Paper & Quebec North Shore Paper	$3,500,000
Can. Inter. Paper	3,140,000
Consold. Paper	2,950,000
Powell River Co.	1,287,000
Price Bros. & Co.	1,000,000
Spruce Falls P. & P.	1,000,000
Bathurst P. & P.	600,000
E. B. Eddy Co.	500,000
Hinde & Dauch	500,000

United Steel Pays Initial

United Steel Corp. has declared an initial dividend of 10 cents a share, plus an extra of five cents, on its common stock, payable June 1, 1943, to shareholders of record May 15. The regular 75-cent half yearly dividend of the class A preferred was paid May 1 to shareholders of record April 21.

Changes in officers announced at the annual meeting included election of T. J. Dillon as chairman of the board as well as president of the company. A. G. House has been appointed a vice-president and continues as treasurer. C. J. Hilyer has been appointed assistant secretary-treasurer. Directors were re-elected.

Fleet Aircraft Pays Initial

Fleet Aircraft, Ltd. shareholders, elected E. D. Smith, Montreal, former vice-president, to succeed Gordon McMillan, K.C., as president of the company at the recent annual meeting. Mr. McMillan becomes chairman of the board. W. N. Deisher has been made a vice-president and general manager.

Payment of 25c. a share dividend was announced, payable June 15, to shareholders of record May 15. This is the initial payment on this stock. The company earned $1.08 a share in 1942 and 97 cents in 1941.

New Publication Lists All Banned Foreign Traders

A new consolidation of the list of "specified persons" in various countries with whom Canadian businessmen may not trade without contravening war regulations has been issued by the Custodian's Office, Department of the Secretary of State.

The new list contains close to 14,000 names. Those listed, although not resident or carrying on business in enemy territory or occupied areas are by reason of their associations or nationality banned as trading agents under the Consolidated Regulations Respecting Trading with the Enemy (1939).

South American countries, according to the compilation, have the highest showing of persons under suspect, with Argentina (1,244) ahead.

Only four are listed in Arabia, all residents of strategic Yemen. In Sweden there are 202, in Switzerland 893.

The publication may be purchased from The King's Printer, Ottawa, for 25 cents.

The following tabulation gives the countries now listed and the number of persons specified in each:

Afghanistan	9
Arabia	4
Argentina	1,244
Bolivia	752
Brazil	1,014
Chile	1,484
Colombia	1,069
Costa Rica	269
Cuba	114
Dominican Republic	30
Ecuador	380
Eire	35
El Salvador	155
Guatemala	418
Haiti	68
Honduras	43
Iran	69
Iraq	29
Liberia	6
Liechtenstein	13
Mexico	959
Morocco—Spanish Zone	40
" Tangier Zone	88
Nicaragua	89
Panama	54
Paraguay	83
Peru	1,063
Portugal	969
Angola (Portugal)	105
Azores (Portugal)	10
Cape Verde Islands (Portugal)	6
Goa (Portugal)	10
Madeira (Portugal)	29
Mozambique (Portugal)	71
Portuguese China	1
Portuguese East Africa	27
Portuguese Guinea	22
Portuguese India	4
Spain	898
Balearic Islands (Spain)	12
Canary Islands (Spain)	39
Fernando Po and Spanish Guinea (Spain)	24
Sweden	202
Switzerland	893
Turkey	345
Uruguay	342
Venezuela	349
Total	13,948

Dom. Engineering Work Expands

From Our Own Correspondent

MONTREAL.—Operations of Dominion Engineering Works Ltd. continue on an active and expanding scale, according to a statement made by W. F. Angus, president, at the annual meeting.

Mr. Angus said: "Production of marine engines for 10,000 ton cargo ships, already large, had again to be stepped up by 40% to take care of the growing requirements of the various shipyards.

"Certain components for aircraft propellers which originally came from the United States could no longer be obtained and your company was urged to come to the assistance of these manufacturers and produce these articles in substantial quantities. These demands and others of a like kind necessitated increased expenditures on buildings and machinery, only a part of which was charged to 1942 accounts; the balance will appear in the 1943 statement.

"It should be pointed out, however, that while the net profits of your company for the past year can be considered satisfactory, the period of heavy taxation at current rates only covered six months of operations and the resulting profits from this year's operations will show a decided reduction."

Can. Locomotive Orders Heavy

Canadian Locomotive Co. has announced payment on July 1 of 13½% interest on its 6% income bonds to bondholders of record June 20. This payment is equivalent to 2¼ years' interest on the bonds and will leave 10½% of accumulated arrears as of July 1.

The company paid 12% on these bonds last July, 9% on July 2, 1941, and 6% in 1940 and 1939. The latter payment marked the initial distribution on these income bonds following the 1932 reorganization which left interest cumulative from Jan. 1, 1934.

With orders for 102 locomotives on hand, or about two and a half time the total number delivered in 1942, is assured of capacity operations well into next year.

An interesting feature of the current orders for locomotives is that it includes 75 locomotives out of a total order for 105 to be made according to a special design for India. First of these is expected to be completed about August and the final delivery by May next year. These engines are somewhat lighter than the usual Canadian freight engine and are to serve a new railway line being constructed in India and extending over 1,000 miles.

Current orders for 102 locomotives are almost equal to the 104 which the company has actually delivered since 1936. Its shops have an annual capacity of about 120 locomotives.

Soo Line Plan Passes Creditors

From Our Own Correspondent

MONTREAL. — Creditors of the Minneapolis, St. Paul and Sault Ste. Marie Railway Co. have approved the plan of reorganization, which had already been passed by the Inter-State Commerce Commission and the Federal District Court in Minnesota.

Under the plan, capitalization of the Soo line will consist of less than $2.7 millions of equipment obligations; $10 millions of 4½% first mortgage income bonds; $20,129,076 of 4% general mortgage income bonds, and 719,180 no par value common shares.

Gatineau Sees Postwar Gains

From Our Own Correspondent

MONTREAL. — Wartime restrictions have considerably curtailed normal extensions to retail business, G. Gordon Gale, president, reported at the annual meeting of shareholders of Gatineau Power Co. This state of affairs, he added, would doubtless continue as long as the war lasts with the result that the company should be able to make a direct contribution to the solution of postwar problems by then carrying through extensions and improvements of its properties and services which have been deferred by recent war conditions.

At present the company has 13,000 urban customers and 16,000 rural customers which means that while the urban customers have increased about 40% since inception in 1926, services to rural customers have been more than doubled.

Can. Invest. Fund Equity Improves

From Our Own Correspondent

MONTREAL.—Reflecting further improvement in security prices, Canadian Investment Fund Ltd. reports net asset value per share of stock at March 31, 1943, was 10% higher than at the end of 1942, and 22.4% higher than at Sept. 30, 1942.

Total net assets of the company, with securities valued at market quotations, amounted to $9.2 millions at the end of last March, compared with $8.2 millions at the close of 1942 and over $7.3 millions on Sept. 30, 1942. These gains were due mostly to market appreciation in investments, and partly to growth in outstanding shares.

During the first quarter of this year the company's holdings in Asbestos Corp. were reduced from 2,500 to 2,000 shares, and the holdings in International Nickel Co. of Canada were increased from 11,000 to 11,200 shares, while the holdings in Building Products Ltd. were increased from 3,700 to 3,900 shares.

Before you insure... consult
Confederation Life Association

FORD DIRECTOR

Douglas B. Greig, treasurer of Ford Motor Co. of Canada, has been made a director. Mr. Greig has been with Ford of Canada 24 years, joining the company after return from the last war.

Ration Holds For Newsprint

No Further Restrictions Before Oct. 1 Next, Says Donald M. Nelson

From Our Own Correspondent

MONTREAL.—No further restrictions upon the use of newsprint paper are in prospect before Oct. 1, according to a statement made by Donald M. Nelson, U. S. WPB head.

In a report to the House Interstate and Foreign Commerce Committee, Mr. Nelson said the Federal Government's print paper requirements had been reduced by 310,044 tons to 421,021 from a figure of 731,065 tons submitted Feb. 5.

Minimum Cut 10%

Donald J. Sterling, consultant to the WPB head, read a statement to the committee authorized by Nelson which said in part:

"The several limitation orders, enacted the first of the year, affecting the use of newsprint paper by newspapers, magazines, and books express the minimum reduction compelled by reduced supplies or critical materials. In each case the limitation does not exceed 10%."

To supplement the wood pulp and pulpwood supplies of the United States for the maintenance of print paper, the Nelson statement said, the Canadian Wartime Prices and Trade Board has confirmed its agreement to supply the U. S. with 1,270,000 tons of pulp during 1943.

U. S. Paper Mill Activity Records Little Change

Paper mill operations in the United States continue to show relatively little change. According to reports received by American Paper and Pulp Ass'n., the mills operated at 88.6% of capacity in April, as against 89.6% in March and 88.9% in February. In April last year the mills operated at 100.4%.

3 THINGS You Should Know About CANADA DRY'S Sparkling Water

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The special ingredients added to purified, ultra-violet ray treated water, make it definitely alkaline in reaction—better for you in every way!

IT LIVENS FLAVOUR
It materially steps up the flavour, of any drink—maintains that flavour from first sip to last.

3 SIZES
7 oz. Handy individual size; in 6-bottle cartons.
12 oz. Favourite Club size.
30 oz. Economical Family size; makes 8 to 10 long drinks.

SW53

Quebec Starts Inquiry On Price Bros. Labor

A Royal Commission has been set up by the Quebec Government to investigate labor differences at the mills of Price Bros. & Co. Hon. Joseph A. Prevost is president of the board of enquiry, while the other members are the Hon. Stuart McDougall and Garon Pratte.

SALES FINANCE IN Wartime

IMPORTANT to Canada's war economy is the part played by companies engaged in financing instalment sales and purchases.

The convenience of the instalment method of payment enables many industrial organizations engaged in essential war manufacture to obtain new machinery, thereby expanding production and reducing costs through more efficient operation.

Industrial Acceptance Corporation, the largest all-Canadian company in the field of sales finance, serves Canada's war production by making possible the purchase of machinery and equipment vital to wartime manufacture. I.A.C. has financed the purchase of cutters, drills, saws, grinders, lathes and other tools for the production of guns, shells, torpedoes, hoists, presses, welding equipment for shipyards; the thousand-and-one tools of plane production; steam shovels, graders, tractors and other machinery for the construction of essential wartime highways and all-important air ports.

In peacetime the normal operation of I.A.C. provides financing facilities for the purchase of industrial equipment, domestic and commercial refrigerators, radios, washing machines, air conditioners, heating equipment . . . in its own way contributing to a better standard of living. In war I.A.C. provides an essential service for the industrial front.

Capital resources of I.A.C. and its wholly-owned subsidiaries, Campbell Finance Corporation and Industrial Factors Corporation, is in excess of $5,000,000.

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Limited
Executive Offices: Sun Life Building, Montreal
Branches in 26 cities across Canada

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DREAM
Going up in
Smoke!

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Where You Least Expect

PLP Protects Against "Uncontrollable" Accidents

In modern society, every individual is legally liable for injuries he may do to other people or their property either by some definite act or by negligence. If he is a householder, he is liable for damages caused by any member of his family. If he owns an animal, he is responsible for anything it may do. He is also responsible for any injury caused by some condition around the premises.

Many of the hazards appear so small they attract little notice. But the risk is there and it is an unpleasant surprise to get a bill because the front steps gave way and somebody injured a leg or because your puppy chewed up the neighbor's new fur coat. Claims of this kind are being made every day.

Some Claims Ridiculous

The majority of these cases never come to public notice. Unless there is a lawsuit they are settled privately and few people know except the interested parties. Many of the claims at first glance appear ridiculous, but there is nothing ridiculous in the bill that has to be paid. Sometimes the claims run into thousands of dollars.

One known instance is that of a man who had a Newfoundland dog noted for its gentleness and good temper. His neighbor had some valuable rabbits usually kept in a special pen. One day the rabbits got out of the pen and were hopping about the owner's yard. The dog saw them, jumped the fence, and in a few minutes had killed many of them. A heavy bill for damages resulted.

In another instance, a boy, tired of roller skating on the road one evening, took his skates off and left them on the sidewalk in the shadow of a large tree. A pedestrian came along in the dark, stepped on one of them and fell, twisting his back, and breaking an elbow. The boy's father got the bill.

Golfer Kills Sheep

A man playing golf at a summer hotel drove his ball in the wrong direction, hitting a sheep and killing it. The owner claimed the value of the sheep.

In another case, a pet cat attacked a neighbor's canary. The cage was broken, the bird mangled and an expensive glass bowl broken. The cat's owner got a substantial bill for damages. Sometimes the claims run into more substantial amounts. For example a saddle horse ridden by the owner's son turned a corner sharply, fell on the pavement, crushing a pedestrian and causing serious internal injuries. A heavy claim for medical expenses resulted.

In yet another instance, a maid shaking mats on an upper balcony broke through the railing, fell to the ground and injured her back. She sued her employer for damages.

When Icicle Falls

Sometimes the accident seems entirely beyond the power of the householder to prevent as when a huge icicle formed over a front door during the spring thaw. It fell on a visitor cutting his head, resulting in a doctor's bill for the householder.

In other cases a servant may cause damage to the property of another. The liability of the employer is the same.

Even if the householder is not responsible in the eyes of the law, the injured party may bring a legal action against him which is costly to defend.

The Comprehensive Personal Liability Policy has been designed to take care of all such contingencies, offering financial protection to the individual.

Through it, the insurance company assumes the legal responsibility of the policyholder for accidents arising out of the following hazards:

Participation by himself, his wife or minor children in games, sports or recreation.

His own personal acts, or acts of members of the household or employees on or away from the residential premises.

Ownership or occupation of residential premises.

Ownership of dogs, cats, birds or saddle horses. If more than one dog or saddle horse, extra premium must be paid.

Ownership or operation of a bicycle, tricycle or other vehicle propelled by muscular power, and

Injury or death of employees following the duties of their employment.

The policy gives protection under the two main heads of public liability and property damage. Normally it covers the first five hazards. The sixth, employers liability, may be written in conjunction with the first four if desired.

The rate for the comprehensive cover, including the first five hazards, is quoted by one representative company at $5 for public liability and $2 for property damage. The public liability standard limits of protection are set at $5,000 for injuries sustained by one person with a total of $10,000 for one accident. The ordinary limit for property damage is $1,000. This can be increased by payment of a small extra charge. It may be written for three years at 2½ times the original rate.

Apart from the financial protection, insurance men point out that where there is a policy of this kind, self-interest demands that the company fight any legal action where the policyholder disclaims responsibility for any damage suffered by another.

Branch Bank Closing Brings Realty Problem

Satisfactory Disposal of Premises Often is Difficult — Municipal Tax Concessions Sometimes Sought — Larger Staffs Cause Crowding

Closing of branches in recent months has presented a real estate problem to the chartered banks. In the last 16 months more than 200 branches in Canada have been discontinued. Well over half of the buildings used were owned by the banks concerned, it is estimated, the balance being leased from other proprietors.

Vacant premises, whether owned or leased, are an expense item and the banks are not anxious to hold property not being used.

Where the property has been leased, the bank must, of course, carry on the lease to the end of the term although it can, with the consent of the owner, sublet. Buildings it owns itself are usually sold if a satisfactory price can be obtained.

Buildings Remodelled

In a good many cases, buildings have been sold to be remodelled into stores, office buildings and even apartment houses. Prices vary considerably, according to the conditions and the purposes for which required. Buildings specially constructed for bank use are frequently not much use for other purposes without considerable alteration and this has to be taken into consideration in putting through the transaction. In cases where the business of one branch is being turned over to another, the better building is frequently retained. In such cases it may mean that one bank retaining its branch buys the building from another which is discontinuing its operations in the area.

If a building is not sold and stands vacant for some time, efforts are usually made to get concessions in municipal taxation. Each case is considered on its merits, but in some instances where a property is vacant for a considerable period the municipality may grant taxation relief. This applies to other business properties as well as banks.

One other difficulty presented to the banks by consolidation of branches is obtaining sufficient accommodation for the increased staff in the surviving branch.

Increased Staff Necessary

Take an area in which say three branch banks are consolidated into one. The surviving branch must of necessity increase its staff to take care of the extra work including ration coupons, etc. Normally premises would be enlarged. But under war conditions this is not always feasible. The result is considerable crowding. The problem is increased by the number of inexperienced helpers employed. This is expected to adjust itself in time as employees become more experienced and able to handle more work per capita.

Investment Notes

Windsor, Essex & Lake Shore Electric Railway Association bondholders are being repaid their original $1 million investment, in full, plus a further $94,436 toward interest, final report of the Guaranty Trust Co. shows. First dividend of 78%, paid Jan. 2, 1940, required $780,000; a second one of 6.7%, requiring $67,000, was paid March 2, 1942; and the final 24.7%, or $247,436 paid April 30, 1943. All assets of the association have been sold. Refunding of the obligation of the various Ontario border municipalities aided in providing a market for the assets of the association.

• • •

Alberta Pacific Grain Co. shareholders to the extent of more than 98% of the preferred and about 80% of the common have deposited their shares under the purchase offer from Algoma Grain Securities Ltd. and been paid off at $115 a share for the preferred and $3 a share for the common, it is announced. The offer is being held open to give remaining shareholders an opportunity to deposit their shares and receive this payment until May 23, 1943.

It is pointed out that maximum amount Alberta Pacific could retain as net profits under present tax schedules would be $190,000, insufficient to pay the regular preferred dividends which require $210,000 annually. This fact, plus arears of $2.7 millions on the preferred, made any common dividends unlikely for some time It is further mentioned in support of deposit of common shares that $5.8 millions, plus arrears, would have to be distributed to preferred shareholders in event of winding up of the company before common shares could receive anything.

Weekly Bank Clearings

	May 6 1943 $	Change Year Ago %	Apr. 29 1943 $
Halifax	6,408,879	+34.2	3,342,953
Saint John .	3,624,272	+23.5	2,372,112
Moncton	1,390,976	+31.8	1,244,252
Sherbrooke .	1,196,768	+1.9	766,270
Quebec	6,940,892	+7.4	4,224,424
Montreal ...	225,797,693	+60.0	98,520,153
Ottawa	142,038,568	—33.4	54,558,199
Kingston ...	972,473	+11.5	702,389
Peterborough	1,122,575	+11.9	788,566
Toronto	215,858,329	+26.5	126,192,611
Hamilton ...	8,233,616	—1.0	7,020,385
St. Catharines	1,556,241	+4.7	1,698,390
Kitchener ...	1,482,257	—9.1	1,206,158
Brantford ..	1,668,981	+22.7	1,076,049
London	3,487,402	+3.2	2,555,550
Chatham ...	801,827	+4.0	606,322
Sudbury ...	995,392	—11.8	1,050,575
Windsor	4,490,892	+15.3	4,718,799
Sarnia	879,683	+58.9	637,721
Fort William	1,342,222	+5.9	585,022
Winnipeg ...	75,998,364	+6.3	51,055,590
Brandon	670,284	+25.8	489,783
Regina	10,717,327	+20.7	4,926,413
Moose Jaw .	944,940	+12.0	723,330
Saskatoon ..	2,251,962	+18.9	1,646,211
Prince Albert	655,655	+22.6	509,091
Edmonton ..	9,161,653	+41.1	7,873,892
Calgary	9,222,859	+37.1	6,745,030
Lethbridge ..	683,006	+9.3	701,060
Medicine Hat	506,518	+44.6	390,828
Vancouver ..	32,731,171	+31.4	23,525,262
N. W'minster	872,426	—14.1	754,146
Victoria	2,267,420	+9.8	1,788,475

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Bank of Canada Investments Up

Appearance of the item — advances to chartered and savings banks $625,000—in the Bank of Canada statement for the week ended May 5, evidently reflects financing operations of one of the banks in connection with the Victory loan. Entries under this heading seldom appear in the Bank of Canada statement except during a Victory loan campaign, when the banks are helping their customers to finance bond purchases.

Investments of the bank were higher and note circulation was also higher.

	May 5 1943 $	Apr. 28 1943 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Notes in circ. ...	748,208,567	743,319,184
Rest fund	6,472,953	6,472,953
Deposits: Dom. ..	102,168,286	59,494,456
Banks	275,148,968	259,485,208
Other	29,758,909	31,002,813
Total deposits ...	407,076,163	349,983,477
All other	19,020,846	9,800,469
Total liabs.	1,185,778,529	1,114,575,083
Assets		
In Sterling & U.S.	8,144,023	2,361,632
Subsid. coin	140,086	135,651
Advances	625,000	....
Investments:		
Dom. gov. sh. .	856,771,825	823,191,385
Other Dom. gov.	284,855,769	275,989,933
Total invest.	1,141,627,594	1,099,181,318
Premises	2,100,284	2,100,105
All other assets .	33,141,542	10,796,377
Total assets	1,185,778,529	1,114,575,083

Insurance Notes

A. H. Garvin has been appointed member of the insurance board of British Columbia. He is insurance manager of the Royal Agencies Ltd. of Vancouver and replaces **James T. Armstrong** of Armstrong and Laing. He will serve with three reappointed members, including **F. H. LeCouteur,** branch manager for the Royal Insurance Co., **Donovan Allen,** branch manager for Massie & Renwick Ltd., and **John P. McBeath** of Rorison, McBeath Insurance all of Vancouver. The board, which acts in an advisory capacity to the provincial superintendent of insurance regarding applications for agents' and salemen's licenses in all branches of insurance except life, is composed of two tariff and two non-tariff members, a company and an agency representative from each group.

• • •

During the first quarter of 1943 there were 32,683 **industrial accidents** in Ontario, including 107 fatalities according to the reports from the Workmen's Compensation Board. In March, 11,934 accidents were reported to the board, including 40 fatalities. For the year 1942 there were 133,513 industrial accidents in Ontario.

• • •

Fire losses in the first quarter of 1943 in **Nova Scotia** at $347,644 were $68,467 lower than in the same period of 1942, according to the report of Colonel S. S. Wright, fire marshall for the province. There were 14 persons killed and 29 injured in fires in the province during the period. The report stressed the serious results that may follow absence of watchman service.

J. G. FALCONER, M.D., M.R.C.P. EUGENE MONTGOMERY, M.D.

Dr. J. G. Falconer, M.R.C.P., who has been appointed Medical Referee of North American Life, and Dr. Eugene Montgomery, whose appointment to the Company's medical staff is announced.

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Buy MORE Victory Bonds!

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CANADIAN CORPORATION
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THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MAY 10

Range 1943 High	Low	Div Rate $	May 8 Y'ld %		Sales	Last May 3	Week end. May 10 H	L	Cl'se
10	.59	*	...	Abitibi	10695	.85	1.10	.85	1.00
9½	5	*	...	Do. pref. 6%	8930	8¼	9½	8¼	9
18	12¼	*	...	Do. pref. 7%	232	16½	18	16½	17½
4¼	3	*	...	Acme Glove, c.	100	4	4	4	4
9½	8	*	...	Algoma Steel	520	8½	9½	9	9½
84	81	5	6.1	Do. pref.	35	82	82	81	82
102½	100½	5	4.9	Alum. of Can p	653	101½	101¼	101	101¼
133½	105½	8+2	7.8	Aluminium, c.	300	129	129	127	128
8¼	8¼	.30*	...	Amal. Electric	23	10	8¼	8¼	8¼
25¼	21¼	1.40	5.7	Asbestos	338	24¼	24½	24	24
20	15	1.25	6.8	Assoc. Brew.	20	16¼	18	18	18
110½	109	7	6.3	Do. pref	4	109	110½	110½	110½
131	127	6	4.6	Bk. Can. Nat.	15	130	131	130	130
160	147	6	3.8	Bk. Montreal	103	160	160	158½	160
259	223	10	3.9	Bk. N. Scotia	27	254	254½	254½	254½
24	21			Barker's Br. pf.	20	22	24	24	24
15¼	12	1+.50	10½	Bathurst Pr.	1985	13½	14	13½	13½
3¼	1¼	*	...	Do. (B)	486	2½	3¼	2	3¼
10¼	9¼	*	...	Beauharnois	247	9½	9½	9½	9½
5.00	4.30		...	Beav. Lumber c	25	4.30	5.00	5.00	5.00
83	80	4+2	7.4	Belding Cort. c.	16	81	81	81	81
154	140½	8	5.3	Bell Telephone	412	152	152	149	150
7	4½		...	Blue Ribbon	84	6	7	7	7
36	29½	2.50	7.1	Do. pref.	11	35	35	35	35
23	14½	.75*	...	Brazilian Tr.	14350	22¼	23	21½	23
7¼	5	.50+.10	10	Brew & Distil.	10	6¼	6	6	6
20½	17½	1	4.9	Brit. Amer. Oil	1860	20½	20½	20½	20½
20	15	.75	...	B. C. Packers	240	18	19½	19	19½
27	23	2	7.7	B. C. Power A.	313	25	26¼	24½	26
4	2		...	Do. (B)	150	3	3¼	3¼	3¼
8	5¼	.40	6.2	Bruck S. Mills.	65	7¼	6¼	6¼	6¼
15¼	13	.60	4.2	Building Prod.	95	14½	15	14½	15
11¼	9¼	.60	5.2	Burlington St'l	350	11	11¼	11¼	11¼
5	5		...	Burns (B)	8	...	5	5	5
102	99½	6	5.9	Calgary Pwr. p	43	102	102	102	102
5	2¼	*	...	Canada Bread	225	4¼	5	4¼	5
43	40	2.50	5.9	Do. pref. (B)	3	43	42½	42½	42½
10¼	6	.10*	...	Canada Bud	815	10¼	10¼	10	10¼
6	4¼	*	...	Canada Cement	1550	5¼	6	5¼	6
100	92	5	...	Do. pref.	145	98½	100	98½	99½
106	104	5	4.8	Canada Cycle, p	2	105½	104	104	104
19½	17½	.80	...	C. & D. Sugar	1110	18½	19	18½	19
24½	20	1.50	6.8	Can. Forg. (A)	30	20	23	22	22
70	55		...	Can. Iron, c	75	70	69	69	69
40	36¼	2+.50	6.4	Can. Malting	335	39	39½	39	39
7¼	5¼	.60	8.9	Can. Nor. P.	135	6¼	7	6¼	6¼
140	125	8	5.9	Can. Perman.	27	133½	138	136	136½
14¼	8¼		...	Can. Steamsh's	5601	14	14½	13½	13½
38	31	2.50	6.6	Do. pref.	871	37	38	37	37
8¼	6¼	.40+.10	6	Can. Vinegars	50	7½	8	8	8
108¼	106¼	6.50	6	Can. W. Cable p	25	108¼	108¼	108¼	108¼
4¼	2¼		...	Can. Bakeries	243	4	4½	4¼	4¼
80	66	5	6.3	Do. pref.	85	77	80	75	80
140	129	6	4.5	Can. Bk. Com.	161	134	134	133½	134
3.12	1.30		...	Can. Breweries	4300	3.00	3.12	2.87	3.00
39¼	27½	3.40	9	Do. pref.	431	37	37½	36½	37
35	32	1.50+.50	6	Can. Bronze, c	90	33½	34	33½	33½
9	6¼	.50	5.7	Can. Canners	165	8	8½	8½	8½
22	19	1+.20*	6	Do., 1 p	165	21¼	21½	21	21½
				Do. 2nd pfd.	570	11	11½	10½	11½

Range 1943 High	Low	Div Rate $	May 8 Y'ld %		Sales	Last May 3	Week end. May 10 H	L	Cl'se
7¼	5¼	*	...	Dryden Paper	3010	6¼	7¼	6¼	7¼
1.45	.75	*	...	East Dairies	200	1.30	1.30	1.25	1.35
33¼	14	*	...	Do. pref.	70	32	31	28½	28½
15	12	1	6.7	East Steel	1040	15	15	15	15
5	2¼	*	...	Easy Washing	35	4¼	5	4¼	5
4¼	3	*	...	Enam. & Heat.	100	4¼	4¼	4¼	4¼
32¼	24½	2.50	...	English Electric	25	30	29½	29½	29½
5¼	4	*	...	Do (B)	10	5	5	5	5
6	4½	.15	...	Equitable Life	85	5	5¼	5¼	5¼
3¼	2½		...	Fairchild Air	780	3¼	3½	3¼	3½
24	21	1.50	6.7	Fam. Players	150	22¼	22¼	22	22
23	21	1.50+.25	8	Fanny Farmer	210	21½	22¼	22	22¼
5¼	3¼	.25†	...	Fleet Aircraft	1795	5¼	5¼	4¼	5¼
23	19½	1	4.4	Ford Motor A.	3095	22¼	22¼	22¼	22¼
15¼	14	1.40	9.5	Foundation Co.	735	15	15	14¼	14¼
15	12¼	*	...	Fraser Cos.	4	15	15	15	15
17¼	12¼	*	...	Do. Vot. Tr.	4216	15¼	17¼	15¼	17
9¼	7¼	.60	6.7	Gatineau Pwr.	139	8¼	9	8	9
90	77	5	5.9	Do. pref. 5%	77	83	90	83	90
10¼	7¼	.25*	...	Gen. St. Wares	2780	10	10½	10	10¼
108	94	7+.38a	7	Do. pref.	75	107½	108	107	107
83	62	2.50+2.50	6	Goodyear Tire	35	83	83	82	83
55	51½	2.50	4.8	Do. pref.	60	54½	54	54	54
17	17	1.50	...	Gt. L. Pap. pref.	25	16	17	17	17
4	3¼		...	Do. Vot. tr. c.	137	4	4	3¼	4
18	14¼	1.50	...	Do. Vot. tr. p	533	17¼	18	17¼	18
5	3¼		...	Gt. W. Saddlery	10	4	4¼	4¼	4¼
35	26¼	3	10.7	Do. pref.	1	35	28	28	28
6¼	4¼	*	...	Gurd, Chas. c.	70	6¼	6¼	6¼	6¼
5¼	4¼	*	...	Gypsum, Lime	1058	5¼	5¼	5¼	5¼
6¼	4¼	*	...	Ham. Bridge	1330	5¼	5¼	5¼	5¼
3¼	3	.20	...	Harding Carpet	350	3	3¼	3	3¼

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

May 11, 1943

a-Payable Can., N.Y. & £. c-Payable Can. & N.Y. *-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡N.Y. funds. §-Calculated to 1956 average maturity. a-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

May 11, 1943

Industrial:	Bid	Ask.
Acme Farm., pf.	75	80
Andian National	21	..
Anglo C. Tel., A.	8¼	9
Atlas Steels, c.	20	23
Do., pref.	105	108
B. C. Pulp, c.	10	..
Do., pfd.	63	..
Barrymore Cl., p.	44	..

	Bid	Ask.
Minn. & Ont. p. c.	6¼	7
Mt. Royal Htl. c.	2¼	4
M'row Screw, p.	100	103½
Do., com.	14	16
Moirs, pfd.	15¼	..
Morrison Br. un.	6	8
Nellson, Wm., c.	10	..
Do., p.	101	..
N. Math. Ldy. p.	75	..
Ont. Tobacco, p.	15	17¼

	Bid	Ask.
Canadian Fire	73	78¼
Confed. 30% pd.	130	140
Continental L.	27	30
Crown Life	250	270
Dominion Fire	134½	138
D. of Can. Gen.	125	..
Dom. Life	175	200
Empire, 25% pd.	6	7¼
Excelsior 40% pd.	71¼	76
Great-West Life	230	..
Halifax Fire	13	14¼

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
May 11	16,800	6,500	311,000	......
May 10	17,100	11,300	328,000	2,755
May 8	13,900	9,300	128,000	8,400
May 7	39,900	12,400	258,000	15,000
May 6	34,700	2,500	290,000	15,500
May 5	42,700	4,900	286,800	13,550

Company Report

Economic Investment

Gross income of Economic Investment Trust Ltd. in the year ended March 31, 1943, declined, due in part to increased taxation with a resultant decrease in dividends received, Glyn Osler, chairman, states.

Upward trend of security markets over the past year raised market value of the trust's portfolio from $2.3 millions to $2.6 millions. Book value of investments is down about $140,000 at $2.8 millions. Net assets per share are equivalent to $41.50 at March 31 last compared with $30 a year earlier. The trust issued $1 million of 4% bonds this year and redeemed its former 5% issue.

Income, Surplus—Years Ended March 31

	1943	1942
Income	$156,515	$165,901
Less: Rent, sals., etc.	8,989	9,002
Directors' fees	4,055	4,467
Other fees	1,699	1,593
Interest	51,141	50,871
Income & E. P. tax	11,079	13,726
Net profit	79,552	86,242
Less: Dividends	75,858	79,851
Surplus for year	3,694	6,391
Add: Prev. surplus	100,375	93,984
Surplus forward	104,069	100,375
Earned per share	$1.98	$2.16
Paid	1.90	2.00
Net assets per share	$41.50	$30.00

Reliance Grain Co. is paying $1.62½ a share on its preference stock on June 15, 1943, to shareholders of record May 31. Giving effect to this payment arrears are unchanged at $6.50 a share.

Annual Meetings

1943: Company	Place
May 14—Dom. Foundries & Stl.	Hamilton
May 14—Hedley Mascot Gold	Vancouver
May 19—Canadian Canners	Hamilton
May 19—God's Lake Gold	Winnipeg
May 20—Coniagas Mines	Toronto
May 20—Dom. Woollens	Toronto
May 20—Vulcan Oils	Vulcan
May 24—Minn. & Ont. Paper	Minneapolis
May 28—Nipissing Mines	Toronto
May 31—Inter City Baking	Montreal
June 15—Western Grain*	Winnipeg
July 14—Ritz-Carlton Hotel*	Montreal

*Bondholders.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
(Base 1935-39=100)												
*1935 to date: High	134.5	234.4	149.7	133.7	135.7	118.3	128.3	133.4	146.3	118.3	145.0	124.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures: Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.8	78.7	90.9	79.2
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.2	88.6	80.2	92.1	79.1
1943: Weekly Figures: Apr. 1	99.5	78.2	89.0	69.1	119.1	84.1	122.3	87.4	92.5	80.8	96.9	74.3
Apr. 8	101.3	79.4	90.1	68.8	121.6	85.5	127.7	88.5	92.5	80.7	99.7	82.9
Apr. 15	101.0	78.2	95.2	67.7	120.9	86.9	127.3	91.2	97.0	80.9	102.0	82.5
Apr. 22	101.5	78.4	94.9	68.2	120.9	88.9	129.1	89.4	98.1	81.0	103.0	83.3
Apr. 29	99.2	82.4	92.9	65.9	120.8	88.2	128.8	88.8	95.9	80.9	100.7	81.3
May 6	101.7	89.2	91.5	67.9	119.2	89.8	129.0	91.8	96.3	80.5	105.4	83.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 11	113.61	83.35	73.29	23.17
May 10	114.41	83.18	73.42	23.27
May 8	113.60	82.21	72.97	22.99
May 7	113.88	81.90	73.15	22.88
May 6	113.80	81.67	73.26	22.79
May 5	114.14	82.17	73.44	22.70
Month ago	110.19	85.27	72.38	22.81
Year ago	82.81	64.17	63.93	16.24
High 1943	114.41	87.04	73.98	23.91
Low 1943	98.88	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
May 11	58.4	74.5	69.2	94.91	60.14
May 10	58.0	74.8	69.2	97.93	60.08
May 8	58.1	74.8	69.2	98.94	59.88
May 7	57.8	75.1	69.3	99.17	59.95
May 6	57.8	75.1	69.3	98.17	60.10
May 5	57.8	74.8	69.1	94.07	60.43
Month ago	56.0	72.9	67.3	82.09	65.45
Year ago	41.2	56.3	51.3	58.48	39.01
High 1943	58.4	75.2	69.4	99.17	66.88
Low 1943	51.8	63.4	59.5	74.07	49.18

OIL ROYALTIES

Producing Wells — Prices and Payments

	Mar. 13 daily quota bbls.§	Feb. daily quota bbls.§	Dec. pay. 1% $	Jan. pay. 1% $	Feb. pay. 1% $	Total to Feb. 28 1% $	Offering price* per 1% $
Ace No. 1 gross	385	465	195.46	169.70	166.41	4,530.04	....
Alta. Oil Inc. No. 1 gr.	65	88	42.40	33.20	27.60	3,672.80	....
Do., No. 1 net	65	88	33.60	26.00	21.60	4,140.40	5,300
Do., No. 2 gr.	380	380	198.00	168.00	152.00	4,710.00	4,100
Do., No. 2 net	380	380	137.20	118.40	107.20	6,277.00	1,400
Allied No. 1 pfd.	93	93	41.60	37.31	32.50	1,597.70	1,200
Arrow No. 1 net	135	135	39.00	34.00	42.00	883.15	1,700
Do., No. 2 net	170	170	50.00	55.00	54.00	1,669.20	5,700
Atlas-Br. D. No. 2 pfd.	450	490	204.40	223.20	223.20	2,919.60	5,400
Do. No. 3 pfd.	430	500	....	....	....	....	1,800
East Crest No. 5	115	125	48.00	56.80	46.40	487.60	2,800
Independent No. 1 p.	200	200	99.79	97.02	88.17	....	....
Do., No. 1 gr.	200	200	85.03	82.40	74.67	2,376.25	1,300
Major Oil No. 1 pfd.	95	104	35.20	47.60	48.40	799.20	1,400
Do., No. 1 gr.	95	104	43.60	50.40	49.20	1,706.60	....
Do., No. 2 net	350	450	165.60	155.20	120.00	4,938.80	8,500
Do., No. 2 gr.	350	450	236.00	218.40	178.00	6,449.20	6,700
Do., No. 3 net	588	733	236.40	250.60	215.20	6,721.60	9,000
Do., No. 3 gr.	588	733	352.00	354.80	292.80	....	....
Do., No. 4 net	125	125	61.60	....	49.20	....	....
Do., No. 4 gr.	125	125	50.00	81.60	55.20	3,583.20	6,800
Do., No. 7 pfd.	500	500	246.40	271.20	226.80	1,284.80	3,500
Do., No. 7 dfd.	500	500	....	....	....	....	....
Do. No. 7 gr.	500	500	216.40	248.00	202.40	1,953.20	3,200
Do. No. 8 pfd.	225	315	148.40	132.00	98.80	526.00	....
Do., No. 8 gr.	225	315	130.00	118.80	91.20	1,001.20	1,300
Do., No. 8 dfd.	225	315	....	....	....	....	....
Do., No. 9 gr.	320	330	....	....	134.00	1,447.80	5,000
Do., No. 9 pfd.	320	350	131.60	147.60	159.80	232.00	1,400
Do., No. 9 dfd.	320	350	....	73.40	....	....	3,300
Miracle No. 1 net	300	355	....	....	90.12	5,013.66	....
Do., No. 1 gr.	300	355	96.04	122.91	129.20	5,104.62	2,800
Do., No. 2 pfd.	200	220	101.74	167.08	91.16	....	....
Do., No. 2 gr.	200	220	156.19	....	82.80	1,125.72	3,600
Miracle No. 3 pfd.	...	...	137.40	82.80	....	....	6,000
Do., No. 3 gr.	...	...	...	....	....	......	3,300
National Vulcan	...	...	...	....	....	......	

*Approximately 25% over dealers' bid prices.
§Approximate.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Un. Gr. Gr. (C)	4½%	1949	July 2	102
Do., (A)	5%	1948	July 2	101
Shawinigan W.	*4%	1961	Oct. 1	103
Mtl. L.H.Pr.†	3½%	1956	June 1	102½
Windsor Arms	6½%	1947	June 1	102
Nan-Dun. Utl. A	5½%	1964	July 2	104
Gatineau Pr.	‡5%	1949	June 2	101
Stock issues:				
Assoc. Brew. 4500 shs.	4½% Pref.		May 29	110

*$2,224,000. †$174,000. ‡$3,150,000.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland pfd.	8,463	*$4,375
Major Oil No. 6 pfd.	8,022	4,300
Major Oil No. 6 gr.	8,022	6,600
Empire pfd. (Ont.)†	....	*1,100
Phillips Kinsella Ltd.†	....	*2,100

*Pegged price. †Acreage royalty.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.18	3.48
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.65	4.00
Can. Investors	5.00	...
Corp. Investors	6.00	6.45
Trans-Canada	10.80	11.50

Municipal Bonds

May 11, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.95
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.07
†Quebec	5	1959	113.75	116.75	3.62
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	119.00	122.00	2.35
†Vancouver	5	1970	108.00	111.00	4.31
Winnipeg	5	1944	100.00	102.25	1.96

†Payable Can. & N.Y. *Flat.

Bond Tenders

12 noon, May 13, Canada Treasury Bills—$55,000,000, dated May 14, due Aug. 13, 1943.

Dividends Declared

	This payment $	Date payable	Date of record
Acme Glove, pref.	▲3.25	May 17	Apr. 30
Anglo-Canadn. Oil	*■.04	May 15	May 1
Aunor Gold	.04	June 1	May 7
Algoma Steel, pf.	2.50	July 1	June 1
Aluminium	2	July 5	May 14
Do., pref.	†1.50	June 1	May 7
Assoc. Brew.	.25	June 30	May 31
Do., pref.	1.75	July 1	May 31
Ang. Can. Tel. A	.15	June 1	May 10
Bank of Montreal	1.50	June 1	Apr. 30
Bank of Toronto	2.50	June 1	May 15
Bathurst Pr. & P., A	.25	June 1	Apr. 30
Belding Corticelli	1	July 1	May 31
Do., pref.	1.75	July 1	May 31
Berens River Mines	*.03	June 10	May 7
Bk. Can. Nationale	1.50	June 1	May 15
Borden's	†.30	June 1	May 15
Barber Ellis	.12½	June 15	May 31
Beattie Gold	.04	June 30	May 12
Brewers & Dist.	■.50	May 20	Apr. 20
Do., bonus	■.10	May 20	Apr. 20
Brazilian Tr.	.75	June 15	Apr. 27
Broulan Porc.	*.03	May 31	Apr. 30
Bruck S. Mills	■.10	June 15	May 14
Canada Dry	†.15	June 9	May 26
Can. Wire & C. (A)	1.00	June 15	May 31
Do. (B)	.25	June 15	May 31
Do., pref.	1.62½	June 15	May 31
Can. Fairbanks, com.	.25	June 1	May 15
Can. Marconi	.04	June 1	Apr. 15
Corr. Paper Box, p.	1.75	June 1	May 17
Do., arrears	7	June 1	May 17
Can. For. Invest., pf.	■2	July 1	June 1
Canada Malting	.50	June 15	May 15
Can. Ind. Alcohol A B	.10	June 1	May 3
Can. for. Invest., pf.	■2	July 1	June 1
Can. Int. Inv. Tr., p.	.50	June 1	May 10
Can. Malartic Gold	.02	June 30	May 6
Can. Bakeries, pfd.	1.25	June 1	Apr. 30
Can. Nor. Power	■.15	July 26	June 19
Do., pref.	■1.75	July 15	June 19
Can. Breweries, pf.	.85	July 1	May 15
Can. Crushed Stone	.10	June 15	June 1
Candn. Oil Cos.	.25	May 15	Apr. 20
Can. Westinghouse	■.50	July 1	June 16
Cockshutt Plow	.25	June 1	May 15
Consumers Glass	.50	May 31	Apr. 30
Cosmos Imperial	.30	May 15	Apr. 30
Crown Cork	.50	May 15	Apr. 15
Cochenour Willans	.03	June 1	May 10
Crow's Nest Coal	■1.50	June 2	May 8
Command Oils	.03	June 7	May 15
Coniaurum Mines	.06	June 30	May 12
Deb. & Secs., pfd.	2.50	July 1	June 16
Delnite Mines	*.03	May 31	May 13
Distillers-Seag.	.55½	June 15	June 1
Do., pref.	■1.25	Aug. 2	July 15
Dom. Anglo Invest.	4	June 1	May 14
Do., pref.	1.25	June 1	May 14
Dome Mines	■.40	July 30	June 30
Dom. Bridge	.30	May 25	Apr. 30
Dom. Found. pfd.	1.50	June 1	May 10
Dom. Engineering	2	May 15	Apr. 19
Dom. Scot. Invest., p.	■1	June 1	Apr. 30
Dominion Stores	.10	June 19	May 24
East. Steel Prod.	.25	June 1	May 14
Fleet Aircraft	■‡.25	June 15	May 15
Falconbridge N.	.07½	June 30	May 4
Ford Motor, A, B	.25	June 19	May 29
Fanny Farmer	†.37½	July 1	June 10
Gen. Stl. Wares, p.	1.75	May 24	May 7
Do., particip.	.38	May 24	May 7
Granby Cons. M.	†■.15	June 1	May 14
Gt. Lks Pap. A, B, p.	.25	July 2	June 2
Hedley Mascot	.02	May 15	Apr. 21
Hallnor Mines	.10	June 1	May 7
Hiram Walker	1	June 15	May 14
Do., pref.	.25	June 15	May 14
Hollinger Cons.	.05	May 20	May 6
Home Oil	*■.15	June 15	May 10
Honey Dew	.50	July 1	June 15
Hudson Bay M.	1	June 28	May 28
Inter. Nickel, c.	■.50	June 30	June 1
Island Mount'n G.M.	*.05	May 25	Apr. 23
Lamaque G. M.	.10+.05	June 1	Apr. 30
Lang, J. A.	.17½	July 2	June 10
Langley's pref.	■.50	Jun. 11	Jun 3
Do.,	■.50	Sep. 11	Sep. 3
Do.	■.50	Dec. 11	Dec. 3
Leitch G. M.	.02	May 15	Apr. 15
Loblaw Groc. Inc.	.25	June 1	May 14
Laura Secord	■.20	June 1	Apr. 30
Loblaw Groc., A, B	.25	June 1	Apr. 30
Do., extra	.12½	June 1	Apr. 30
Lake of W. Mill.	.30	June 1	May 3
Do., pref.	1.75	June 1	May 3
Lake Shore Mines	.20	June 15	May 15
Maclaren Pwr.	.25	May 31	May 15
McK. Red Lake G.	.03	June 17	June 1
Montreal Cottons	1	June 15	May 31
Do., pref.	1.75	June 15	May 31
Madsen R. Lake	.03	May 20	Apr. 20
Model Oils	.02	June 19	May 22
Nan-Dun. Util., p.	.81¼	June 1	May 15
Neilson, Wm., p.	1.75	May 31	May 17
Noranda Mines	1	June 15	May 14
N. S. Light & Pr., pf.	1.50	June 1	May 15
Ottawa L. H. & Pr.	.15	July 1	May 10
Do., pref.	1.25	July 1	May 10
Ogilvie Flour	.25	July 1	May 28
Do., pref.	1.75	June 1	Apr. 30
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Paton Mfg.	*1	June 15	May 31
Do., pref.	1.75	June 15	May 31
Penmans	.75	May 15	Apr. 15
Powell Rouyn	*.02	May 15	May 1
Placer Devel.	.25	June 15	May 21
Prov. Bank	1.25	June 1	May 15
Pressed Metals	†.25	May 15	Apr. 15
Pato Cons. G.	.15	May 31	May 12
Power Corp.	■.15	June 30	June 10
Do., pref.	■1.50	July 15	June 19
Do., 2nd pref.	■.75	July 15	June 19
Quebec Power	.25	May 25	Apr. 19
Rolland Paper	.15	May 15	May 5
Do., pref.	1.50	June 1	May 15
Regent Knit, pfd.	.40	June 1	May 1
Do.,	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Royal Bank	1.50	June 1	Apr. 30
Reno Gold	•.07	May 31	May 15
Reliance Grain, p.	1.62½	June 15	May 31
Sec. Std. Royalties, p.	.01	June 1	May 14
Sigma Mines	■.30	July 28	June 28
Shawinigan W.	.22	May 25	Apr. 19
Sherritt Gordon	.03	June 30	May 14
Sherwin-Wms. pf.	1.75	July 2	June 10
Simpsons Ltd.	▲2.00	June 15	May 15
Siscoe Gold	.01‡	June 15	May 12
South Can. Pwr.	■.20	Aug. 16	July 20
Do., pref.	■1.50	July 15	June 19
Stuart, D. A., Oil, pf.	.20	June 1	May 15
Teck-Hughes	■.10	June 1	Apr. 30
Toburn Gold	.01	May 22	Apr. 22
Tor. Elevators, pfd.	.66	June 7	May 17
Unit. Amuse.	.40	May 31	May 15
United Corp. A.	.37	May 15	Apr. 15
United Steel	§.10	June 1	May 15
Do., extra	.05	June 1	May 15
Upper Can. Mines	*.02½	May 29	May 15
Waite Amulet	.15	June 10	May 10
Western Brew.	.15	May 15	May 1
Wilsil	.25	July 1	June 1
H. Walker-Good.	1	June 15	May 14
Do., pref.	.25	June 15	May 14

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board. ▲On arrears. *Interim. §Initial. ♦Extra payment eliminating arrears. •Capital distribution.

St. Lawrence Flour Mills Co. announces that W. A. Murphy, of Winnipeg, has been elected to the board of directors, filling the vacancy caused by the death of J. J. McGill.

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 247

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-up Capital Stock of this bank has been declared for the current quarter, and the same will be payable at the bank and its branches on and after the first day of June next, to shareholders of record of May 15th, 1943.

By Order of the Board.

B. S. VANSTONE,
General Manager.

DIVIDEND NO. 17

Hudson Bay Mining and Smelting Co., Limited

A Dividend of One Dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable June 28, 1943, to stockholders of record at the close of business on May 28, 1943.

H. E. DODGE, *Treasurer*.

"CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held April 27, 1943, a dividend of fifteen cents (15¢) per share was declared, payable June 9, 1943, to stockholders of record at the close of business, May 26, 1943.

W. J. WILLIAMS, *Secretary*

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE PER CENT (1%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 31st day of May, 1943.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, May 10th, 1943.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of Seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 31st day of May, 1943.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, May 10th, 1943.

DIVIDEND NOTICE

Command Oils Limited

Notice is hereby given that a dividend of 3c per share has been declared on the outstanding shares of the Company, payable on or after June 7th, 1943, to shareholders of record at the close of business May 15th, 1943.

The transfer books of the Company will not be closed.

BY ORDER OF THE BOARD,
G. J. McKay, Secretary
May 4th, 1943.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending May 31, 1943, is hereby declared and authorized to be paid on June 15th, 1943, to all preference shareholders of record with the Transfer Agents of the Company at the close of business on May 31, 1943.

By order of the Board,
A. W. GIBB, Secretary.
Winnipeg, April 19, 1943.

United Amusement Corporation Limited

Common Dividend
Nos. A39 and B33

Notice is hereby given that a dividend of Forty Cents ($0.40) per share has been declared on the outstanding capital stock of the Company for the period ended 30th April, 1943, payable on the 31st day of May, 1943, to all shareholders of record on the 15th day of May, 1943.

By Order of the Board.

W. H. MANNARD,
Secretary-Treasurer.

FLEET AIRCRAFT, LIMITED

Interim Dividend

NOTICE is hereby given that a dividend of 25 cents per share has been declared by the Directors of Fleet Aircraft, Limited on all the outstanding shares of the capital stock of the Company payable subject to the approval of the Foreign Exchange Control Board on June 15th, 1943, to Shareholders of record May 15, 1943.

By order of the Board.

Fort Erie, Ontario, G. C. CHATAWAY,
May 4th, 1943. Secretary-Treasurer.

IN TORONTO
CARS and TRUCKS FOR RENT
Call car-U-drive
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AD. 5733

Shipping Worries Hit Grain

Question If Farmers Can Sell Full Allotment

From Our Own Correspondent

WINNIPEG.—Marked decline in the condition of winter wheat in the United States from that of a few weeks ago might well be considered a bullish factor in the Canadian market, as indicating a greater demand for shipments from this country during the next crop year, were it not for difficulties which exist in making shipments.

It is beginning to be a matter of discussion as to whether or not it will be physically possible for western farmers to dispose of the full allotment of 280 million bushels which was set for the total of this year's quotas.

Throughout Manitoba, and over most of Alberta, delivery quotas have been set at 14 bushels per acre, although at many points there is not yet space available to allow such deliveries to be made in full. At over half the points in Saskatchewan, quotas are still held down to 10 or 12 bushels per acre, and considerable shipments will be required from country elevators before those quotas will be filled and the question of enlarging them will arise.

If the railways can find cars enough to move grain forward to lakehead terminals as rapidly as room is made there it is quite possible that every farmer will have the opportunity to deliver up to 14 bushels per acre, but that will mean movement on a larger scale than is currently in progress.

Manitoba Better Off

Manitoba farmers have been more fortunate with respect to deliveries than those of the other two provinces, for the all-rail movement of oats and barley to the United States, drawn mainly from that province has been a great help. In addition, those who had Durum wheat have been able to dispose of it without restriction.

Complaints about slow deliveries which might, under other circumstances, have been made by farmers mainly dependent upon wheat have been restrained by the fact that those selling lately have received higher prices than those whose wheat was all delivered in the early part of the season, and farmers are hoping for a continuance of, or improvement in the situation. Grain that will have to be held over for delivery during next crop year begins to look like a more valuable asset than was the case a few months ago.

Seeding Delayed

Wheat seeding operations throughout the West have been delayed by wet weather, admirably suited to the crop actually in the ground, but less welcome than it would have been a week or so later, after a larger percentage of seeding had been accomplished. Quite probably that will result in the wheat area being smaller than would otherwise have been the case, with greater acreages going into oats and barley, seeding of which can be continued to a considerably later date than is the case with wheat.

According to the report published by the Dominion Bureau of Statistics, western farmers had intended, as at April 30, to seed some 16,320,000 acres to wheat, as against 20,653,000 acres in 1942. It may be found that the reduction in 1943 is actually greater, by half a million acres or more than these figures would indicate, with the total acreage in all grains, however, quite as great as last year.

The Business Of Farming

By GORDON L. SMITH

Our growing season has not opened auspiciously. Here we are at the end of the second week in May and throughout a very large section of eastern Canada hardly a furrow has been turned yet. And eastern Canada, so far as food production is concerned, is a big factor in the general picture. Unless the weather turns fine and warm and keeps that way for a week or ten days production is bound to be seriously reduced.

Generally speaking big crops almost invariably are produced in those seasons when spring work has commenced early. To get good growth most crops must get their start while the weather is generally cool and the ground moist. But of course they must be sown first and seeding is only possible when the soil is dry enough to work. In a great many cases that stage has not been reached yet and it will not be reached until waterlogged fields get a chance to dry out.

* * *

Next Winter's Raw Material

There is a very direct connection between next winter's eggs, milk and beef and the field crops that must be grown this spring and summer. The latter, plus hay and pasture, are the raw material and these the farmer must have or he cannot produce the former. Fortunately there is still a backlog of grain and hay from last year's abundant crops, but this is getting low and the bulk of it will be used up in the next few months. From August on, in any case, feed supplies will depend almost entirely on what the fields produce this season.

* * *

World Food Plans

Enough advance information has now leaked out concerning the "secret" world food conference which opens in Virginia next week to permit some shrewd guesses as to what is being planned. World food production, apparently, is to be reoriented to meet modern ideas of diet. Generally production in all lines is to be stepped up to permit a full dinner pail for all peoples, but certain lines will participate to a much greater extent than others.

In cereals, for instance, an expansion of 50% over pre-war world production is mooted, but fruit and vegetables would be increased by 300%. Ninety per cent more meat production is planned and 125% more dairy products.

* * *

Canada's Stake

On the surface it might appear that Canada, a major cereal producer, could not hope to participate in the general food expansion to the same extent as a country more adapted to fruit and vegetables. But this is not necessarily so, because the general plan is based on agricultural rather than national boundaries. It is planned, for instance, to take much of western Europe out of wheat and other cereal production and have it concentrate on fruit, vegetables, dairy and meat products, and in about that order of importance. Cereals to feed the human population of those countries as well as much of the livestock feed grain, would be imported from Canada and other big surplus grain producers.

This would be a complete reversal of the pre-war super-nationalistic policies of Germany, Italy, France, etc., when under the impetus of subsidies wheat was grown almost in the backyards of Berlin and Rome. Often the subsidy exceeded the world price for wheat. One of the main reasons why Germany and Italy did this was so that they could better withstand a blockade in the war that they were planning. Now the hope is to outlaw war and thus permit development of the natural condition where each country grows its most suitable crops, and depends on its neighbors for the others.

Under such conditions it is quite possible that Canada's wheat acreage might be extended rather than restricted and in any case lasting agricultural stability restored to the great grain-growing areas of the West.

* * *

Farm Revenue Jumps

Gross value of agricultural production in Canada for last year is now officially estimated at well over $2 billions. This is a gain of over 45% above 1941. Record yields of grain crops plus increases in output and prices of dairy, poultry and meat products are largely responsible for the sharp gains last year. Incidentally the 1942 total is almost three times that of farm revenue in 1932.

DIVIDEND NOTICES

The Bank of Nova Scotia

Dividend No. 294

Notice is hereby given that a Dividend of two and one-half per cent. on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of June 15th, and that the same will be payable on and after Thursday, the first day of July next, at any of the offices of the Bank in Canada.

By Order of the Board.

H. D. BURNS,
General Manager.

Halifax, N.S., May 11th, 1943.

Paramount Pictures, Inc., estimates its net earnings for the three months ended April 3, 1943, as equivalent to 98c. a share on the common, compared with 94c. a share for the quarter ended April 4, 1942.

The company has anticipated future sinking fund obligations of $6 millions by payment of $3.1 millions in cash and delivery of debentures for the balance. These transactions will leave outstanding about $16.6 millions of 4% debentures compared with the original $24.5 millions issued. The company paid the $5 millions borrowed from the banks in January this year on April 3.

The Week in Business

	Apr.	Mar.	Feb.	Jan.	Year Ago
Financial Post Production Index	....	253.4	252.0	239.0	206.9
■National income D.B.S. (c)	....	725	700	693	583
Dom. war expend. (million $)	....	....	199.6	185.0	132.5
Dom. total revenue (do.)	....	....	169.4	216.8	111.1
Dom. total expend. (do.)	....	....	228.1	233.2	163.2
Dept. store sales index no.	....	164.4	154.5	147.6	156.9
Retail sales index no.	....	....	169.1	155.8	154.7
Wholesale sales index no.	....	....	145.9	139.9	136.1
Country store (% change pr. yr.)	....	+13.0	+16.4	+7.9	+13.6
Divd. payment index♦	122.0	122.1	122.3	122.5	121.0
Bank deposits (1935-39=100)	....	151.7	150.0	157.0	163.4
Cash and cheque pay. index	....	161.9	149.2	155.3	163.1
Bank debits (1935-39=100)	....	158.7	152.1	148.3	165.2
Money supply (c)	....	4,244	4,182	4,344	3,712
NEWSPRINT % OF CAPACITY—					
Production ratio	....	64.2	64.9	65.6	79.9
Shipment ratio	....	64.6	65.1	60.4	83.2
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	....	175.5	155.1	169.3
Cars (D.B.S. index)	....	....	139.7	130.5	140.4
COST OF LIVING—					
D.B.S. index	117.6	117.2	116.9	117.1	115.9
EMPLOYMENT INDEX No. D.B.S.—					
■All industries	....	181.5	181.2	183.7	165.1
■Manufacturing	....	223.4	222.1	219.6	195.7
■Payrolls (June 1/41=100) (b)	....	143.2	139.5	131.9	119.3
■Payroll index (a) (1937=100)	....	228	214	216	191

	1943	1942	1943	1942	Change
RAILWAYS—					
■Carloadings (week May 1)	63,974	66,126	1,098,030	1,111,423	—1.2
■C.P.R. gross (week May 7) $	5,026,000	4,880,000	92,354,000	83,146,000	+11.0
C.N.R. gross rev. ... (Mar.) $	36,100,000	28,706,000	95,707,000	79,623,000	+20.2
C.N.R. net rev. .... (Mar.) $	7,824,676	6,423,448	17,480,001	15,225,000	+14.8
C.P.R. gross rev. .. (Mar.) $	24,041,211	20,746,457	63,282,637	57,644,844	+9.7
C.P.R. net rev. ...... (Mar.) $	3,617,419	3,785,935	8,677,442	9,984,011	—13.1
IRON AND STEEL—March)—					
Pig iron production (tons)	160,101	167,116	414,668	474,245	—12.6
Steel production ... (tons)	270,962	265,903	723,558	767,840	—5.7
CONSTRUCTION—					
Contracts awarded (Apr.). $	16,047,300	22,512,100	58,161,200	64,295,800	—9.5
Building permits ... (Mar.)	4,934,580	6,972,481	10,899,375	17,810,943	—38.8
Cement prod., bbls. (Jan.)	294,135	283,395	....	....	+3.8
AGRICULTURE—					
■Flour prod., bbls. .. (Mar.)	2,193,029	1,806,854	6,146,803	4,947,682	+24.2
■Cattle sales▲ .... (Apr.)	84,680	79,608	314,254	359,331	—12.5
Hog sales▲ .... (Mar.)	612,905	507,007	1,623,510	1,594,945	+1.8
SEA FISHERIES—‡					
■Catch cwts. .... (Mar.)	300,856	243,277	1,118,250	2,064,067	—45.8
■Landed value .... (Mar.)	1,188,108	726,751	2,669,132	2,591,926	+2.9
NEWSPRINT—					
Production, tons ... (Mar.)	246,855	295,835	702,206	885,840	—20.7
Exports, tons ...... (Mar.)	232,385	289,463	639,764	812,893	—21.3
MINING AND OILS—					
Coal prod., tons ... (Feb.)	1,358,832	1,712,014	3,101,068	3,631,278	—14.6
Gold rec., fine oz. . (Mar.)	279,282	377,109	963,137	1,164,622	—17.3
Petroleum prod., brl. (Jan.)	880,790	875,859	....	....	—1.5
ELECTRIC POWER OUTPUT—(March)—					
Total monthly, 1,000 kw.h.'s	3,329,286	3,220,953	9,498,451	9,311,680	+2.0
OTHER INDUSTRIAL FACTORS—					
■Shoes, prod., pr. ... (Mar.)	3,183,049	2,921,536	8,623,240	8,011,567	+7.6
Cotton consump., lb. (Mar.)	18,186,405	16,192,378	48,687,511	49,728,082	—2.1
Cigarette cons., No.† (Mar.)	1,038,975	785,808	2,872,217	2,309,278	+24.3
FINANCE—					
Bank debits† .... (Mar.) $	4,011,883	4,176,830	11,623,354	10,300,483	+12.8
Bond sales† .... (Mar.) $	378,948	1,088,280	1,113,282	1,279,470	—12.9
Life insurance sales (Mar.) $	46,730,000	35,876,000	127,570,000	118,314,000	+7.7

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. •Millions of dollars.
♦Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

Wheat Prices

Winnipeg Grain Futures

Week of May 10, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close May 10
		Wheat			
1.02⅝	.91⅜	May	1.00¾	.98	.98¾
1.03⅜	.95⅛	July	1.01⅜	.99	.99¼
1.04¼	.96	Oct.	1.01⅞	.99⅞	1.00⅛
		Oats			
.51½	.45⅝	May	.51⅛	.51½	.51½
.51½	.47⅝	July	.51⅛	.51½	.51½
.51½	.49⅜	Oct.	.51½	.51	.51
		Barley			
.64¾	.62⅝	May	.64¾	.64	.64
.64¾	.62⅝	July	.64¾	.63¾	.64⅜
.64¾	.63¾	Oct.	.64¾	.63¾	.63¾
		Rye			
.80⅞	.56¼	May	.80⅞	.78	.78
.82⅛	.65	July	.82⅛	.79⅛	.79½
.82¾	.70½	Oct.	.82¾	.80½	.80⅛

Cash Quotations

	For Week May 10 High	Low	Prev. Week High	Low
Wheat:				
1 Nor. ..	1.00¾	.98⅝	1.01	.98¼
2 Nor. ..	.97⅜	.95⅜	.97⅝	.94⅜
3 Nor. ..	.95⅞	.93⅝	.96	.93
4 Nor. ..	.93⅛	.90⅞	.93⅛	.88¾
5 Wheat .	.88⅜	.85¾	.88	.85¼
6 Wheat .	.87⅜	.85⅜	.87	.84¼
Oats:				
2 C. W. ..	.51½	.51½	.51½	.51⅜
3 C. W. ..	.49¼	.48¾	.49¼	.49⅛
Barley:				
1 Feed ..	.61¼	.60¼	.61¼	.61⅛
2 Feed ..	.59½	.57½	.59½	.59½
Rye:				
2 C. W. ..	.80⅜	.78	.80¾	.77

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General Manager: SIR ALFRED DAVIDSON, K.B.E.
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MEAD
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NATIONAL SELECTIVE SERVICE

FIRST COMPULSORY EMPLOYMENT TRANSFER ORDER

Notice is hereby given to employers and employees that men employed in the lines of civilian employment listed below, who are in classes already designated under National Selective Service Mobilization Regulations, must report for interview not later than May 19th, 1943, at an Employment and Selective Service Office.

These are the employments affected: (1) taverns or liquor, wine and beer stores; (2) retail sale of candy, confectionery, tobacco, books, stationery, news; (3) barber shops and beauty parlours; (4) retail and wholesale florists; (5) service stations (gasoline-filling stations); (6) retail sale of motor vehicles or accessories; (7) retail sale of sporting goods or musical instruments; (8) waiter, taxi driver, elevator operator, hotel bell boy, domestic servant; (9) any occupation in or directly associated with entertainment, including but not restricted to theatres, film agencies, motion picture companies, clubs, bowling alleys, pool rooms; (10) any occupation in or directly associated with dyeing, cleaning, and pressing (not including laundry work); baths; guide service; shoe shining.

It will be illegal for an employer to retain in his employ after May 19th, 1943, any men in marital and age classes already designated under Mobilization Regulations, unless special permits have been obtained from Selective Service.

Penalties are provided for either employer or employees failing to comply with this Order, which is issued by the Minister of Labour under National Selective Service Civilian Regulations.

Men referred to above must present documents at the employment office, indicating compliance with Mobilization Regulations.

If in doubt about application of this Order, enquire at nearest Employment and Selective Service Office.

DEPARTMENT OF LABOUR

HUMPHREY MITCHELL, *Minister of Labour*
A. MacNAMARA, *Director, National Selective Service*

TORONTO ELEVATORS
LIMITED
GRAIN
MASTER FEEDS
LINSEED & SOYA OILS
Also Owning and Operating
THE SARNIA ELEVATOR CO. LIMITED
SARNIA ONTARIO
QUEEN'S QUAY, TORONTO

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.,
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

THE ALBERTA PACIFIC GRAIN COMPANY
LIMITED
(Licensed and Bonded with the Board of Grain Commissioners)
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72 Flour Warehouses
224 Coal Sheds
Terminal Elevators at Vancouver and Port Arthur
(Capacity 9,461,500 Bushels)
Offices: Calgary and Winnipeg
(36)

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James Richardson & Sons
LIMITED
Grain Merchants
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HEAD OFFICE
WINNIPEG
Branches Throughout Canada

29TH ANNUAL STATEMENT

INTERNATIONAL LOAN COMPANY

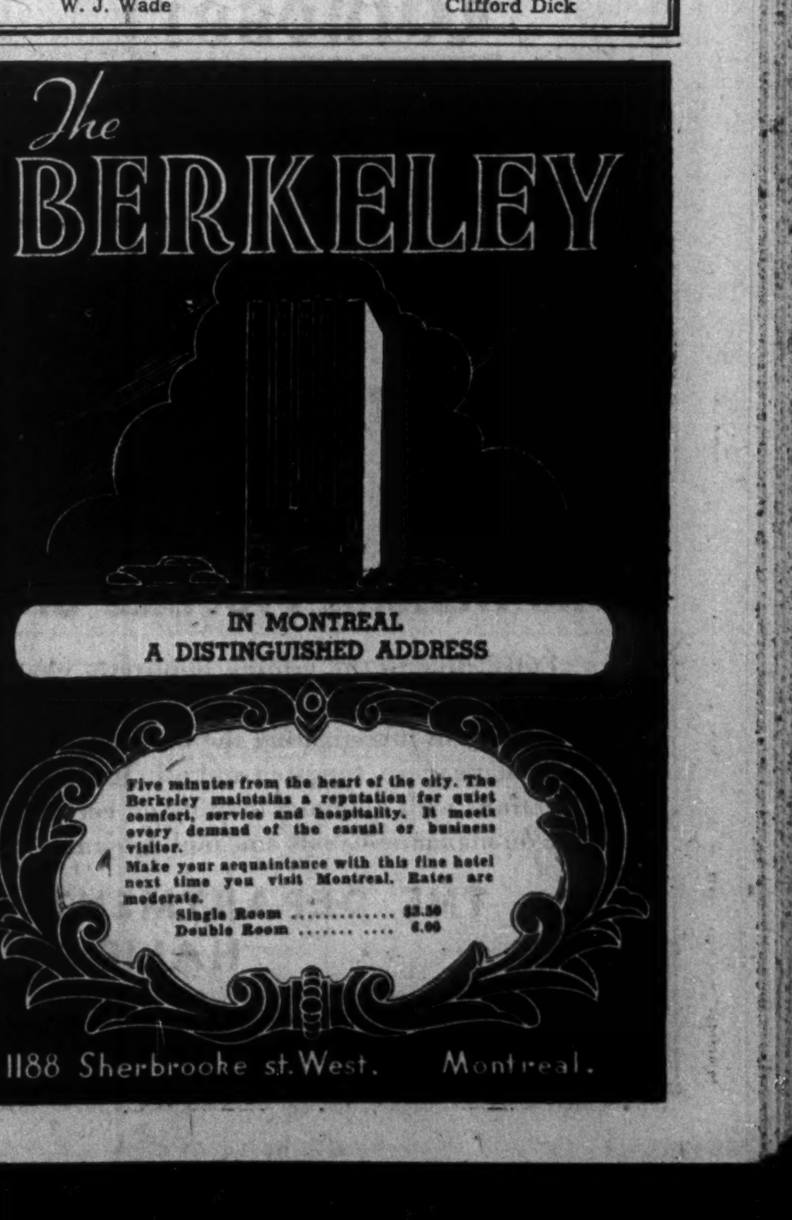
Established 1913

HEAD OFFICE — WINNIPEG

Authorized Capital	$20,000,000.00
Subscribed Capital	4,304,000.00
ASSETS	
First Mortgages and Clear Title Agreements	$1,022,754.09
Real Estate—Clear Title—Less Reserve for Depreciation	50,897.44
Cash and Bank Balances	21,052.87
Victory Bonds	15,200.00
	$1,109,904.40
LIABILITIES	
Liabilities to the Public	Nil
Unearned Discounts	$ 4,026.34
Capital Paid-up	934,725.32
Surplus	21,152.74
Reserve	150,000.00
	$1,109,904.40

Joint Managers: Geo. W. Argue and Clifford Dick

Directors:
Geo. W. Argue, G. S. Thorvaldson, James Hall
W. G. Pickering, B. McKenzie Gunn, J. E. Burns
W. J. Wade, Clifford Dick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Double Room 6.00
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Another Test for Tar Sands

Many Problems Solved But Others Await Research

If further research on products and methods yields favorable results, Athabaska's tar sands may yet result in a wartime production program for an output of as much as 10,000 bbls. of oil a day.

But a survey of the situation put out by the Oil Controller reveals that problems have been many, that not all have been finally solved, and that $500,000 being put up by the Dominion Government is but for advanced research.

Basically, getting oil from the tar sands involves three major tasks. Mining, with all the problems of determining the extent of the "commercial" bodies. Extraction, getting the sand out, in which hot water has been used to separate the bitumen from the sand. Refining, which involves more complex methods than refining standard crudes. Further research is to be done in all phases of the production problem.

Next step in research work calls for rehabilitation of the Abasand Oils plant, now to be operated on behalf of the Government. From this plant, and from research carried on elsewhere, will be secured the data to show whether large-scale operation is justified.

Irwin Heads Abasand

With announcement of new plans, a reorganization of the Abasand management is reported. John Irwin, president of Canadian Oil Cos., is the new president. New vice-president and managing director is E. A. Smith, also of Canadian Oil. Mr. Smith is moving to Edmonton and will be in charge of further operations. Other new directors are H. R. Milner, Edmonton, and Aubrey Davis, Newmarket.

Major points investigated or to be investigated are the extent of deposits; mining methods; separation of oil bitumen from sand; treatment of bitumen by "digestion"; refinery treatment of the resultant crude.

Progress on each of these, as outlined in the Oil Controller's report (based on Consolidated Smelters' data), lines up this way:

1. Extent of deposits.

Drilling in the Steepbank area is stated to have outlined 30 million tons of oil sands, a larger quantity than in the previously considered Horse Creek area. Sand is fine.

General investigation showed the oil sands to be extensive but much of the area is overlain with heavy overburden or lean sands. The two most promising areas located, disclosed deposits interlayered with clay and lean sand, varying widely within short distances.

Consolidated Smelters' report expresses the opinion that large tonnages of high-grade sand, similar to that treated, will not readily be found, but that large tonnages of lower grade material "could probably readily be blocked out."

2. Mining Methods.

Abasand tried sand mining with a shale plane but this proved unsatisfactory. Present methods entail light blasting of sand, excavation by power shovel and transportation to plant by truck. This method is considered feasible for large tonnages.

No experience is yet available on mining in the winter time. Secondary blasting might be necessary in cold weather, it is suggested. Selection of the method for overburden removal in a large-scale development will be dependent on plant location and other factors such as topography, disposal areas, etc.

3. Separation of Oil From Sand.

From Oct. 16 to 21, 1942, 43.5% of Abasand's production was used as plant fuel. Questions of heat conservation and recovery must thus be given careful consideration in any future plant if marketable products are to form a high proportion of total production.

Production so far has been from a coarse sand. It has yet to be determined what effect an increase in the proportion of fine sand (such as at Steepbank) will have on recovery. Poor equipment rather than a weakness in the process is considered to have been the cause of previous inefficiency in production.

4. Bitumen "Digestion."

Before any plans for a large-scale plant can be laid down, the process for "digesting" or breaking the viscosity of bitumen under moderate temperatures and at moderate pressures has to be worked out. The bitumen must be placed in this condition to be satisfactorily pumped to refinery. It is also necessary that this digestion process give a satisfactory diluent for the separation plant.

5. Refinery Treatment.

Arrangements have been completed with Universal Products Co., of Chicago, for a research program on bitumen including a complete crude evaluation and a study of the possibilities of producing aviation gasoline and other products by thermal and catalytic cracking. Tests are under way.

Methods for sulphur removal from the gasoline fraction will have to be developed before it can be sold as graded motor gasoline or aviation gasoline.

The work Abasand will carry out will be directly tied in with field and laboratory tests now under way so as to demonstrate what products can be manufactured from the tar sands bitumen, the quality of the products, and the cost of producing them.

McKenzie Board Keeps Control

Return of the board of directors of McKenzie Red Lake Gold Mines to power by a substantial majority and defeat of the bid of C. A. Gentles and his associates for control, was announced at the adjourned annual meeting of shareholders. Mr. Peter White replaces Mr. Gentles on the board of directors.

Reviewing the company's operating position, M. F. Fairlie, managing director, stated it was hoped that the objective of a million-dollar production or better would be achieved this year.

Add To Ore

During 1942, 2,281 ft. of new ore was developed which more than maintained the ore position since about 1,700 ft. of ore is about normal for a year's milling. Since work started about 15,500 ft. of ore has been opened up of which only 7,411 ft. has been stoped.

The mill is operating at the maximum allowed by the Metals Controller but if the rate should be cut, it is hoped to offset this by increasing the grade through drawing from the new higher grade stopes in the northeast section of the mine.

..**Banca Mining & Exploration** has placed H. Parliament in charge of operations at its mica property in Quebec. Machinery is being sent in for open pit work.

* * *

Young-Davidson Gold Mines is reported to have resumed production after a winter close-down caused by ore freezing in the open pit. Development was continued during the period the mill was closed.

The Week in Oils

From Our Own Correspondent

CALGARY.—Five major oil companies are putting more than 20 survey parties into the field in Alberta this year.

A survey by The Financial Post indicates that these five companies will between them have in Alberta: eight surface geological parties; five seismic survey parties; two core-drilling parties; and six gravimeter parties.

* * *

How Program Shared

The companies are: The Dominion Oil (Standard of California); Imperial Oil; Shell Exploration; McColl-Frontenac Oil, and Gulf Oil Corp. (Another major, B. A. Oil, and several independents, are expected to carry out survey work, but no details are yet available.)

Following are the details:

Dominion Oil Co.: Will have in operation in Alberta in the near future, four surface geological parties, two gravimeter parties and two seismic parties (one of which is already in the field working the plains east of Nanton, and will later go into the Foothills).

Imperial Oil: Already in the field in Alberta are: one gravimeter party, working in the Calling Valley North Turner Valley; one surface geological party, currently working in the Coalspur area west of Edmonton; and two core-drilling parties, one now working in the Vauxhall area, the other in the Three Hills area. A seismic party will commence work about May 15 at an undisclosed area.

Shell Exploration (Alberta): Plans call for: one seismic party, either two or three surface geological parties, and one gravimeter party, provided this can be secured. The seismic party has been in the field all winter, working the Jumping Pond and Herronton areas.

McColl-Frontenac Oil Co.: Will commence its 1943 survey program about May 15. The company will have one seismic survey party and one gravimeter party, both working in southern Alberta.

Gulf Oil Corp.: Will continue its general reconnaissance work started in 1942 with one gravimeter crew slated to arrive in Alberta in the very near future.

* * *

Vermilion Price $1.50

Contrary to earlier reports that the Oil Controller had authorized an increase in the Vermilion Field conditioned oil price from $1.15 to $1.25 per bbl. with the well-head crude price continuing at 90c., it was learned this week that an agreement has been reached whereby the return to the producer will be about 35c. per bbl. higher.

John L. Graham, Vermilion oilfield operator, states that the CNR has agreed to take delivery of all oil up to the first 100,000 bbl. at $1.50 per bbl. for conditioned oil, and at $1.45 per bbl. thereafter. The operator is to receive $1.25 per bbl., based on conditioned oil — that is, oil from which water and sand has been removed. Under the new setup, if the producer delivers 110 bbl. to the conditioning plant, and after conditioning, 100 bbl. of clean oil remains, he shall be paid on the basis of 100 bbl. at $1.25 per bbl.

* * *

Oil Output Declines

Oil production in Alberta totalled 829,684 bbl. during March, 1943, while gross revenue from oil sales was $1,265,867, the Conservation Board reports. March daily average yield (26,764 bbls.) represents a decrease of 277 bbl. daily from February, 1943, and a decrease of 2,542 bbl. from March last year. The daily average revenue for March ($40,834) was an increase of $146 over February, 1943, but a decrease of $4,309 from March, 1942.

A comparison of the first quarter of 1943 with the same period last year shows a decline in production of 176,834 bbl. and a decline in gross revenue of $313,953. First quarter 1943 production was 2,427,455 bbl., with revenue $3,689,570. First quarter 1942 production was 2,604,289 bbl. and revenue was $4,003,523.

Privateer Plans War Metal Search

From Our Own Correspondent

VANCOUVER.—Privateer Mine, which until now has concentrated on the development of gold properties on the west coast of Vancouver Island, plans an active campaign in search of war metals, according to President D. S. Tait.

"At present, with less capital available and more interesting prospects being found, better things are turning up than at any time in the history of our company's exploration," said Mr. Tait.

Prident Ore "Promising"

The Prident ore situation continues promising, according to Mr. Tait. It was discovered during the first part of last year that a new ore shoot developed on the 500-foot level did not coincide with ore opened on the 400 level, and this led to the likelihood that there remained to be opened up the upward extension of this new oreshoot and likewise the downward continuation of the ore opened on the 400 level.

Mr. Tait reported that in the latest quarterly period, after providing the 2-cent dividend, the company was able to add $20,000 to working capital, the largest addition for some time.

Operations at about the present rate are anticipated for at least another two months and the future will depend on whether the present labor supply is maintained.

Ontario Gold Output Drops

Value Down 16% First Quarter of 1943 Compared With 1942

A further decline in production was registered by Ontario gold mines in the first quarter of 1943, the Ontario Department of Mines reveals in its quarterly gold bulletin.

With five additional mines closing down during the quarter and no new ones added, value of gold mines output of $22,014,917 the first three months of 1943 represented a decline of 16% from the corresponding period of 1942 and of 27% from the 1941 level.

The five mines with a total daily mill capacity of 2,130 tons which closed down during the period were: Naybob, Wendigo, Young-Davidson, Yama and Uchi.

A drop in tonnage of ore milled paralleled the decline in output value. Tonnage treated was 18.5% below the first quarter of 1942 and 25% below that of 1941. Average recovery showed a slight decline from 1942.

Monthly Gold Output

	1943		1942	
	Tons milled	Value $000	Tons milled	Value $000
Porcupine:				
January ...	410,227	3,688	511,735	4,568
February .	372,697	3,435	470,031	4,222
March	404,032	3,675	524,080	4,695
Total	1,186,956	10,798	1,505,846	13,485
Kirk.-Larder:				
January ...	202,596	2,384	169,703	1,823
February ..	179,206	2,219	171,993	1,856
March	197,405	2,297	217,559	2,733
Total	579,207	6,900	559,255	6,412
Matachewan-Sudbury:				
January ...	48,521	199	59,944	281
February ..	34,524	133	54,813	272
March	36,350	144	71,060	313
Total	119,395	476	185,817	866
Northwestern Ontario:				
January . .	111,749	1,309	156,401	1,803
February ..	99,715	1,268	143,594	1,7[illegible]
March	101,821	1,260	157,005	1,864
Total	313,285	3,837	457,000	5,380
Miscellaneous:				
Jan. to March	3	4	......	11
Totals for Ontario:				
January ...	773,093	7,580	897,783	8,479
February ..	686,142	7,053	840,431	8,067
March .. .	739,608	7,382	969,714	9,608
Grand total	2,198,843	22,015	2,707,928	26,154

Manual of Mines For 1943 Issued

In its 57th annual edition, the 1943 issue of Walter E. Skinner's Mining Year Book carries details on 800 mining companies operating in all parts of the world, turning out all sorts of minerals from gold and silver to tin and diamonds.

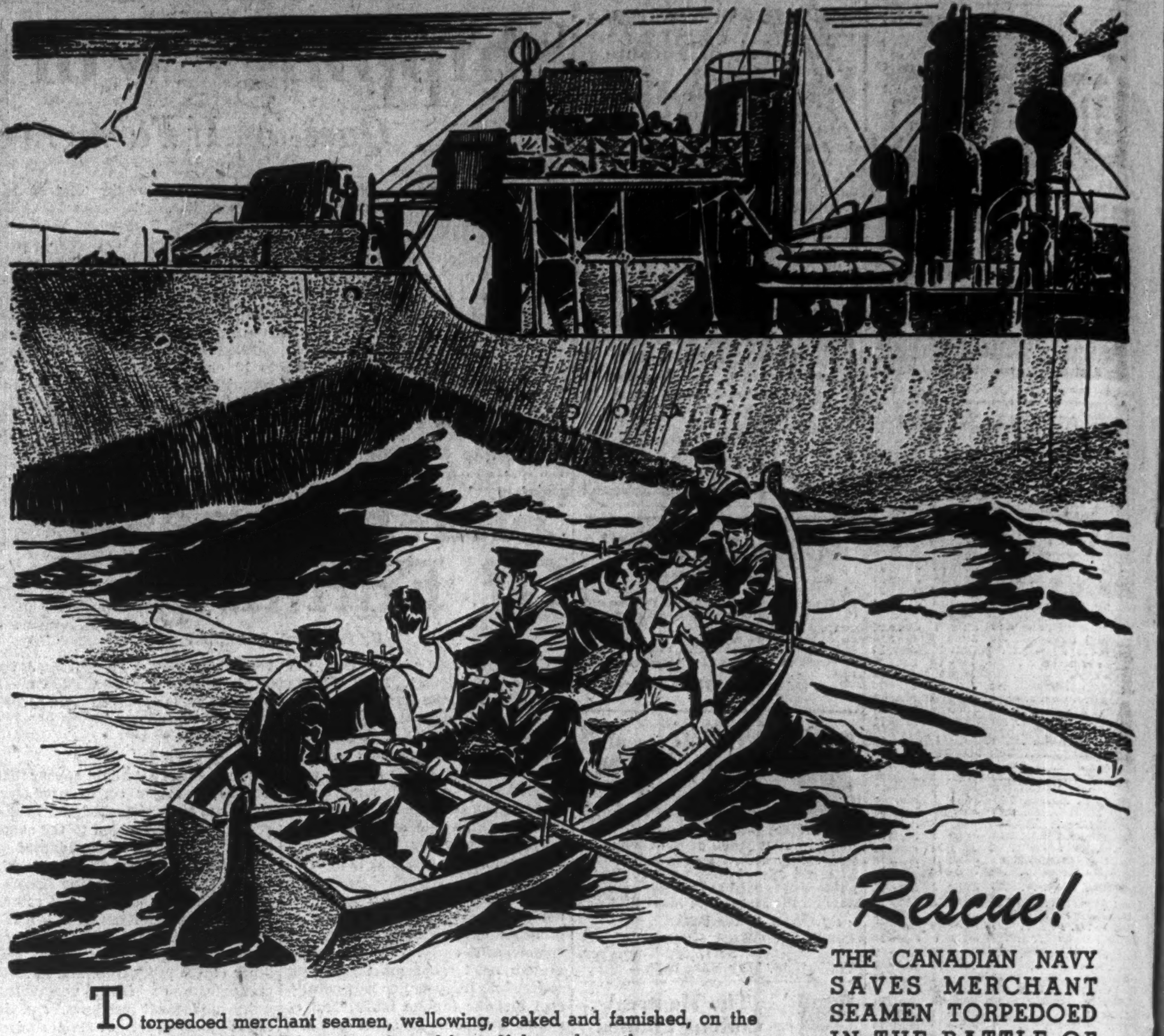
Besides details on the various companies and statistical tables of production, the 1943 book is illustrated with 14 maps covering the Central, Western and Far East Rand areas and the principal properties in West Africa and western Australia.

The book is published by Walter E. Skinner, 20 Copthall Ave., London, E.C. 2. Price 21s. 6d., post free.

Matachewan Consolidated Mines plans to keep its mill in operation as long as possible even at the expense of a small monthly loss, shareholders were informed at the annual meeting. Last month an average of 664 tons of ore was handled, compared with an average of 864 tons for all 1942. Number of employees has shown a reduction from 163 in January to 150 this month.

* * *

Perron Gold Mines showed a further decline in production the March quarter with $333,387 turned out from 33,556 tons of ore milled. Decline was due to both a smaller tonnage milled and a lower grade of ore. Of development completed the March quarter, 45% was below the 1,025-ft. level and 5,200 cars from development headings averaged 0.11 oz. gold. A geological study of drilling done in the area north of the main shear indicates the extension of the northwest faulted extension of the No. 32 vein may be developed from two ore sections indicated in surface drilling.



Rescue!

THE CANADIAN NAVY SAVES MERCHANT SEAMEN TORPEDOED IN THE BATTLE OF THE ATLANTIC

To torpedoed merchant seamen, wallowing, soaked and famished, on the crests and troughs of Atlantic combers, life itself depends on the appearance of a ship's boat from a Canadian warship. This sketch was made from life by "Topside", commissioned by the makers of Player's Cigarettes and enabled to go to sea with the fleet by the kind co-operation of the Royal Canadian Navy.

Sketched at Sea by Player's Artist "Topside"

Player's Please

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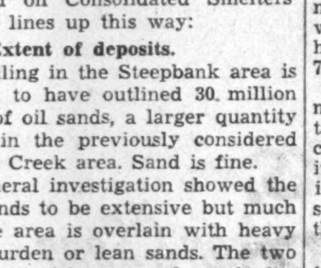
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PRESIDENT

142

NOVA SCOTIA

The Mineral Province of Eastern Canada

Fully alive to the mining industry's vital importance to the war effort, the Nova Scotia Department of Mines is continuing its activity in investigating the occurrences of the strategic minerals of manganese, tungsten and oil. It is also conducting field investigations with diamond drilling on certain occurrences of fluorite, iron-manganese, salt and molybdenum.

THE DEPARTMENT OF MINES
HALIFAX

HON. L. D. CURRIE, Minister
A. E. CAMERON, Deputy Minister

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Mrs. MacMillan Outlines Ideas for Prospecting

In the May 1 issue, The Financial Post asked the question: What steps would you suggest to secure a new crop of mining prospects now for postwar maintenance of this industry?" An opinion was sought from Mrs. Viola MacMillan, secretary of the Prospectors and Developers Association, who could not be reached at that time. Mrs. MacMillan now gives her ideas on what Canada should do about prospecting. The only woman member of the War Metals Advisory Committee, and a member of Dr. R. C. Wallace's mining subcommittee of the Reconstruction Committee, Mrs. MacMillan is in intimate touch with her subject.

By VIOLA MACMILLAN

The answers to the question in recent issues of The Financial Post, "What steps would you suggest to secure a new crop of mining prospects now, for postwar maintenance of this industry?" constitute practically a Gallup poll of informed mining opinion in eastern Canada. The question is most timely, and the solutions offered by such a representative group must command interest and attention.

Three things are needed to get the prospector back into the bush; first, the will to prospect; second, the money with which to prospect; and third, a place to prospect.

In our meetings across Canada this winter I met and talked with literally hundreds of prospectors from all parts of the country, and I can say the wish to prospect is as widespread and as keen today as it ever was.

But there is a general and growing feeling of frustration and discouragement. Governmental controls have killed prospecting for gold; and some 50% of our total mining income is from gold mines. Strategic minerals and base metals we must have, of course, but surely the idea that we must have more gold mines for postwar maintenance of our mining industry needs no further defense!

I am in thorough agreement with the suggestion that some modification of the present securities regulations is necessary. The demand for uniformity of mining statutes and taxes in all of the provinces has much to recommend it, and I believe that if the proper authorities were approached with a well-thought-out plan there is every possibility that a solution satisfactory, if not to all, at least to the majority, would be reached.

The prime incentive, of course, in providing the will to prospect, is the possibility of making a fortune. But taxes, regulations, etc. have taken away a large part of the reward. And without an adequate reward available, prospecting becomes unprofitable.

The spirit to prospect is here—let's let it work—by removing unnecessary governmental restrictions, by obtaining uniform security regulations and by guaranteeing the prospector a gambler's chance to retain his stake if he does make a strike.

A "grubstake" is the second necessity for getting the prospector into the bush. I cannot agree with the suggestion that the money should be advanced by either the provincial or Dominion Governments. We have enough governmental interference in the mining business now, and the difficulties of fair administration of such a fund, or of fair disposition of finds, if any, in a government-controlled prospecting venture are enormous.

Tax Concessions a Help

Most replies to your question mentioned tax adjustments and several mentioned specifically that they would wish to see the continuance or extension of the present tax deduction as a means of getting money into prospecting. It is perhaps not out of place to point out that representations last year by the Prospectors' and Developers' Association to the Minister of Finance, the Right Hon. J. L. Ilsley, were solely responsible for the first tax deductions of this sort. I am convinced that we have in it the solution perhaps not to the whole prospecting problem, but to a very large part of it. This year the deduction has been extended in so far as mining and exploration companies are concerned; prospecting syndicates are given the same benefits as last year.

This is good, and I want to express to Mr. Ilsley and his associates sincere appreciation, not only on my own behalf, but on behalf of the mining industry as a whole. I have heard nothing but praise for this new taxation policy.

The full effects cannot become apparent immediately — it takes a long time to change a prospect into a mine—but the results should begin to show in, say, two years.

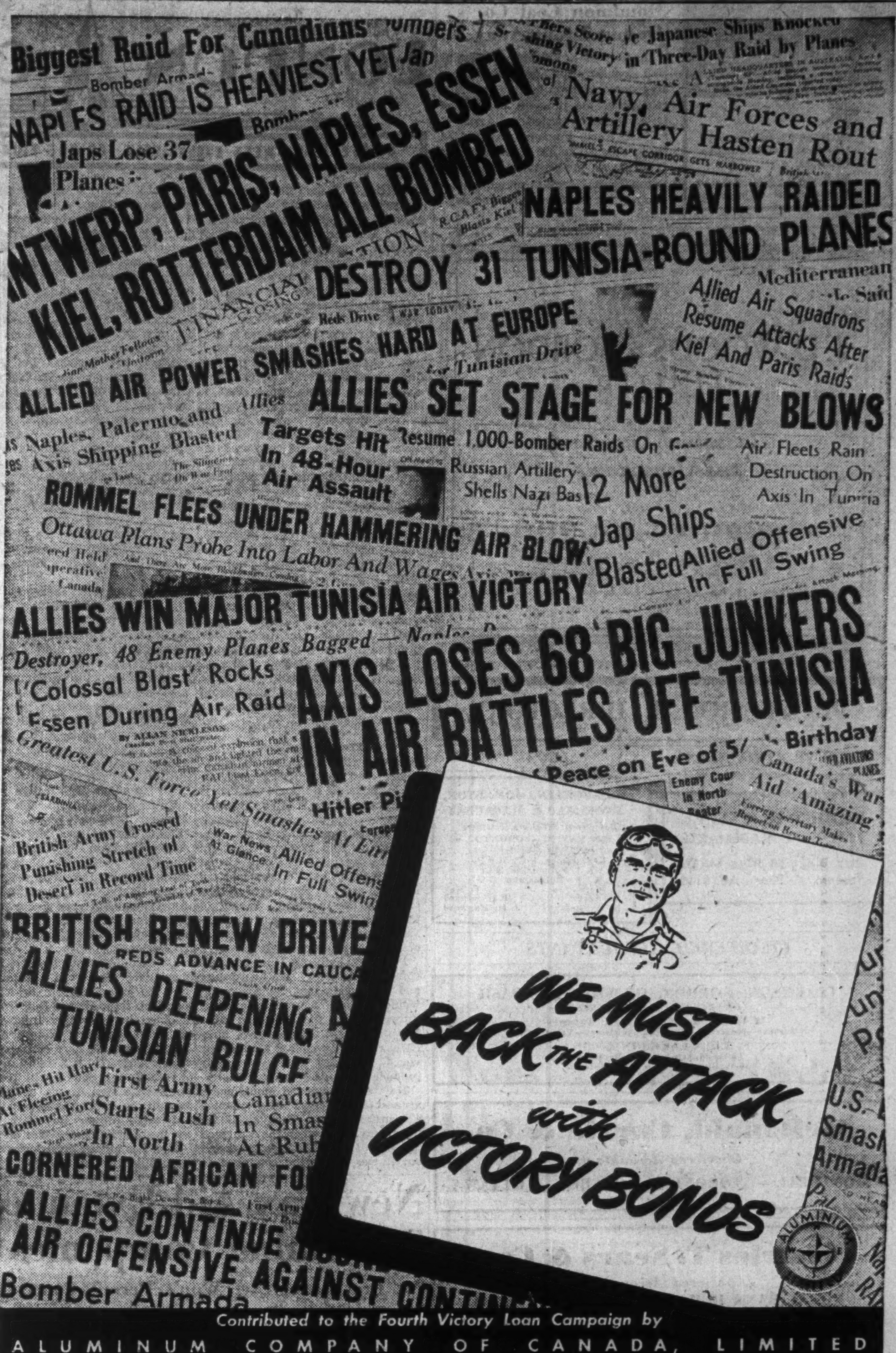
Where To Prospect

We must have very greatly expanded programs of geological mapping—twice, three times as large as at present, and the various surveys must be expanded sufficiently to carry out these programs.

In conclusion I would suggest that one of the most important things we of the mining business can do, more important than tax deductions, more important than geological surveys, and almost as important as the will to find new mines, is to learn to work together, to recognize our common problems, and to work through them honestly and intelligently. By so doing there is no limit to the possibilities of accomplishment.

Anglin-Norcross Corp. Elects New Officers

Anglin-Norcross Corp. announces that Phillip N. Gross has been appointed vice-president and general manager, and William G. Lambert and Douglas A. Anglin, vice-presidents. George A. Lowless has been named treasurer; Thomas A. Gunn, secretary, and Lester S. Underwood, assistant secretary-treasurer.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Company Reports

Colonial Steamships

Colonial Steamships Ltd. experienced a decline in net earnings last year compared with the previous year. Due to lower taxes and no provision for contingencies, however, net profit for 1942 was only about $2,000 lower at $199,702. The company paid a $2 a share dividend last year on its common out of profits equivalent to $6.66 a share.

Balance sheet shows further reduction in funded debt to $821,200 from $879,100. Redeemable notes outstanding have been reduced to $50,000 from $75,000. A capital profit of $266,012 was realized as the result of sale of a steamship while $308,750 is shown as net amount receivable on this sale. Postwar tax credit amounts to $58,000.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Net earnings	$968,216	$1,213,818
Less: Interest	54,394	65,176
Depreciation	147,120	146,819
Income tax	567,000	600,000
Conting. prov.	......	200,000
Net profit	199,702	201,823
Less: Dividend	60,000	......
Surplus for year	139,702	201,823
Add: Previous surplus	340,551	138,728
Gain on ship sale	266,012	......
Surplus forward	746,265	340,551
Earned per share	$6.66	$6.73
Paid	2.00	......
Working capital	$563,309	$423,536

Nipissing Mines

With lower dividend receipts from shareholdings, Nipissing Mines experienced a decline in earnings from 15 to 10 cents a share in 1942 on an unconsolidated basis and from 21 to 16 cents a share on a consolidated basis. Lower receipts from Beattie Gold Mines was the chief factor.

An application has been made to WPTB for further financing of the Croton iron property in which a 50% interest is held. The company's $200,000 Picacho mortgage is in process of foreclosure.

Claims have been maintained in good standing and $54,000 of cobalt ore was turned out in 1942.

Income and Surplus Account Years Ended Dec. 31

	1942 $	1941 $
Nipissing Min'g divds.	130,000	190,000
Less: Gen. expenses	1,652	1,428
Directors' fees	300	300
Trans. agents, etc.	6,728	7,234
Less: Dividends	120,000	180,000
Net profit	121,320	181,038
Surplus for year	1,320	1,038
Add: Prev. surplus	4,749	3,711
Surplus forward	6,069	4,749
Earned per share	$0.10	$0.15
Paid	0.10	0.15
No. of Shs. Outstand.	1,200,000	1,200,000

Nipissing Mining Co. (Subsidiary) Income and Surplus Account Years Ended Dec. 31

	1942 $	1941 $
Sales	53,909	66,598
Add: Inventories	3,574	14,025
Less: Prev. invent.	14,025	18,582
Gross prod., value	43,458	62,041
Less: Operat. exps.	79,018	69,363
Property w/o	......	2,211
Taxes	10,000	32,700
Loss after taxes	45,560	42,233
Add: Int. on bonds	54,221	56,035
Dividends	187,705	231,089
Other income	3,352	17,532
Less: Dividends	130,000	190,000
Net profit	199,718	262,544
Surplus for year	69,718	72,544
Add: Prev. surplus	2,007,198	1,936,967
Profit on bonds	76,093	......
Tax adjustment	12,000	......
Less: Explor. w/o	11,564	......
Loss on bonds	......	2,313
Surplus forward	2,153,446	2,007,198
Consolidated Working Capital		
Current assets*	1,764,525	1,725,864
Current liabilities	23,749	100,400
Working capital*	1,740,776	1,625,464

*Exclusive of shares in other companies which had $993,413 market value in 1942.

Can. Crushed Stone

Due to war conditions and the consequent curtailment of ordinary building and highway construction, business volume of Canada Crushed Stone, Ltd., Hamilton, Ont., was substantially reduced in 1942, according to the report for the year of A. V. Young, president.

Mr. Young foresees a similar condition throughout the remainder of the current year. During 1942 the plant was well maintained, the report states and full depreciation charged.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Net earnings	$ 100,049	$ 127,003
Less: Depreciation	87,328	91,487
Interest	928	799
Income, E. P. taxes	4,807	15,768
Net profit	6,986	18,948
Less: Dividends	25,496	25,496
Deficit for year	18,510	6,548
Add: Prev. surplus	872,999	879,547
Tax adjustment	1,752	......
Sale of assets	4,495	......
Less: Loss on bd sale	825	......
Surplus forward	859,910	872,999
Earned per Share	$0.11	$0.30
Paid	0.40	0.40
Working capital	$280,266	$273,335

A. J. Freiman, Ltd.

Accounts payable of A. J. Freiman Ltd., Ottawa department store, were $137,249 at Dec. 31, 1942, as compared with $98,843 at the end of the previous year, according to the report of A. J. Freiman, president. The company's statement showed a higher gross income but a lower net profit. Working capital was up some $93,000. Preferred dividend arrears are equivalent to $23.50 a share.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Total income	$1,633,482	$1,345,850
Less: Sell. exps., etc.	1,143,904	1,002,128
Executive salaries	43,000	43,000
Mortgage interest	27,215	28,012
Other interest	13,372	13,109
Legal fees	480	335
Depreciation	61,080	60,017
Lease amort.	2,778	2,778
Fire loss damage	43,354	......
Inventory reserve	87,300	......
Inc. & E. P. taxes	123,000	90,000
Net profit	87,999	106,472
Less: Pref. divds.	52,626	52,626
Surplus for year	35,373	53,846
Add: Prev. surplus	597,215	543,369
Earned surp. fwd.	632,588	597,215
Earned per sh.: Pref.	$10.03	$12.14
Paid	6.00	6.00
Common	0.42	0.63
No dividends paid.		
Working capital	$1,094,552	$1,000,981
Balance Sheet Changes		
Cash and bonds	$ 159,057	$ 55,751
Accts. receivable	460,782	509,434
Inventories	963,872	797,741
Bank loan	336,600	164,000
Bank overdraft	265,095	......
Mtges. payable	436,850	469,100

Can. Colonial Airways

Canadian Colonial Airways Ltd. reports a loss of $1,886 on 1942 operations. This contrasts with a profit of $19,485 the year before.

The balance sheet shows the company to have a net worth of $312,704, equivalent to approximately $4.14 a share. The assets consist mostly of cash in bank and Dominion of Canada bonds. All the equipment has been sold.

In his report to shareholders, J. E. Savard, president, says that subsequent to the termination of the franchise to operate into New York, the company received several proposals from different aviation enterprises. "Up to date," he added, "none have resulted in any final recommendation by your board, but your board is carefully watching the interests of the shareholders in this regard."

Income, Surplus—Years Ended Dec. 31

	1942	1941
Gross revenue	$157,440	$320,887
Less: Oper. expenses.	130,802	231,510
Net earnings	26,638	89,377
Less: Depreciation	19,030	49,488
Misc. expenses	9,495	8,020
Tax provision	......	12,384
Net profit	*1,886	19,485
Add: Prev. surplus	‡31,900	12,542
Surplus forward	30,013	32,027
*Loss. ‡Adjusted.		
Earned per Share	......	$0.19
Working capital	$312,705	$185,865

Canada Dry

Canada Dry Ginger Ale Inc. reports net profits for the six months ended March 31, 1943, equivalent to $1.34 a share on its common stock compared with 81 cents a share earned in the corresponding period a year ago.

Net income of the company's Canadian subsidiary, whose accounts are included in these figures, amounts to about 13.2% and 11.9% of the consolidated net income for the six months ended March 31, 1943 and 1942 respectively. Provisions for depreciation in the consolidated accounts was $314,353 and $260,905 for 1943 and 1942 respectively.

Consol Income—Six Mos. Ended March 31

	1943	1942
Net Sales	$15,802,077	$12,078,823
Less: Cos to goods.	8,857,687	5,882,877
Advert., selling, etc.	4,670,058	5,259,986
Net oper. income	2,274,332	935,960
Add: Income credits	10,226	12,911
Less: Income deductions	2,120	15,097
Income taxes	1,459,037	436,498
Net profit	823,402	497,276

Dominion Woollens

Dominion Woollens & Worsteds Ltd. had the most active year in its history in 1942, states J. W. Hobbs, chairman of the board, in the annual report. Company facilities were taxed to capacity to meet urgent government demands for war services, resulting in new high record sales.

A $200,000 contingency reserve has been set up having regard to postwar decline of inventory values and other similar requirements.

Balance sheet reveals a new investment of $100,000 in Dominion bonds and an increase of almost $390,000 in inventories to $1.9 millions. Bank loan of $588,000 has been wiped out, although more than replaced among current liabilities by a heavily increased tax reserve plus $427,163 refundable to the Dominion pursuant to terms of ceiling price contracts.

Inc., Surplus—Yrs. ended Dec. 31

	1942	1941
Operating profit	$1,491,462	$747,839
Less: Ex. sals., leg. fees	54,768	43,217
Dirs. fees	11,838	12,418
Depreciation	250,000	196,500
Bond int.	57,999	60,297
Loss secs. sold	1,747	1,063
Taxes	952,000	215,000
Net profit	163,110	219,344
Less: Pref. divds.	38,106	38,106
Surplus for year	125,004	181,238
Add: Prev. surplus	294,197	114,419
Less: Tfr. conting. res.	200,000	......
Prior yr. taxes	......	1,460
Surplus forward	219,202	294,197
Earned per share:		
Preferred	‡$2.57	‡$3.45
Paid	0.60	0.60
Common	x0.58	x0.96
‡Before participation. xAfter participation.		
Working Capital	$1,318,862	$1,112,628

Loblaw Inc.

Sales of Loblaw Groceterias Inc. in the year ended Feb. 27, 1943, were 23% higher than in the previous year. After provision for higher taxes, including refundable taxes, net profit declined to 90 cents a share from $1.30.

The company now has in operation 121 stores compared with 117 a year ago. Increase in sales was effected despite the increasing impact of wartime shortages of food. A dividend of 25 cents has been declared payable June 1 to record May 14. Bank loan shown at $300,000 a year ago has been eliminated.

Income, Surplus—Years Ended

	Feb. 27 1943	Feb. 28 1942
Operating profit	$1,261,379	$1,204,028
Less: Depreciation	118,747	109,564
Inv. res.	......	40,000
Taxes	831,695	605,008
Net profit	310,937	449,456
Less: Dividends	345,492	308,241
Deficit for year	34,555	*141,215
Add: Prev. surplus	244,923	103,708
Refund. taxes	67,468	......
Surplus forward	277,836	244,923
*Surplus.		
Earned per share	$0.90	$1.30
Paid	1.00	0.90
Working capital	$ 941,946	$ 964,079

Position of Chartered Banks of Canada as of March 31, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES — SUPPLEMENTARY INFORMATION

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere,	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	12,201,432	88,480,553	22,259,846	......	445,934,978	458,641,878	107,900,900	2,525,844	13,929,199	6,986,634	......	19,442,711	2,431,638	33,457	39,000,000	36,000,000	1,255,769,071	50,000,000	36,000,000	6	139,492	110,735,605	12,777,099
Nova Scotia	5,040,510	9,869,499	2,196,469	......	103,588,357	171,324,188	66,316,114	2,632,730	1,634,786	2,409,119	......	23,974,044	607,651	302,983	24,000,000	12,000,000	425,896,456	15,000,000	12,000,000	10	1,493,238	29,131,000	5,271,130
Toronto	1,665,729	6,204,939	3,013,334	......	76,011,898	107,793,812	759,317	169,552	886,509	528,477	......	2,137,714	......	5,643	12,000,000	6,000,000	217,176,929	10,000,000	6,000,000	10	562,674	13,819,488	1,730,394
Provinciale	1,534,733	1,633,652	577,618	......	17,465,840	52,614,662	21,467	......	......	45,157	......	57,007	9,732	5,972	1,000,000	4,000,000	78,965,843	5,000,000	4,000,000	5	119,141	8,148,649	1,582,518
Commerce	11,520,842	17,096,688	22,204,483	......	327,824,718	374,001,795	81,327,990	811,371	5,812,771	5,303,189	......	24,047,017	......	461,461	20,000,000	30,000,000	920,432,281	50,000,000	30,000,000	6	831,324	71,595,777	11,936,927
Royal	15,317,570	24,684,140	21,662,011	......	460,025,992	398,306,700	278,953,440	18,379	3,449,957	11,548,038	......	29,810,269	933,325	68,717	20,000,000	35,000,000	1,299,778,543	50,000,000	35,000,000	6	836,092	88,619,210	16,475,659
Dominion	2,165,061	4,245,614	1,812,460	......	79,814,923	92,891,537	9,758,824	1,792,104	619,868	341,066	......	4,954,705	357,799	141,840	7,000,000	7,000,000	212,895,798	10,000,000	7,000,000	8	598,928	16,048,986	2,165,061
Nationale	2,422,992	3,594,080	2,537,281	......	55,071,058	122,594,990	546,235	3,945,390	32,540	734,720	......	401,404	45,124	8,318	5,000,000	7,000,000	203,934,137	10,000,000	7,000,000	6	122,891	19,339,159	2,671,182
Imperial	2,470,725	9,513,683	22,812,015	......	87,852,417	105,684,279	233,002	3,206,051	1,295,434	896,470	......	2,839,135	......	149,497	8,000,000	7,000,000	251,952,763	10,000,000	7,000,000	8	378,932	19,019,980	2,541,800
Barclays (Canada)	625,555	3,198,878	8,289	......	▲5,386,092	5,688,703	4,323,990	154,905	8,464,692	1,939,413	......	1,003,873	24,082	......	750,000	1,500,000	28,068,476	1,500,000	1,500,000	......	3,089	1,696,933	646,620
Total	54,965,149	168,521,726	99,083,806	......	1,658,975,273	1,889,542,539	550,141,279	15,256,326	31,125,756	30,732,283	......	108,667,879	4,409,342	1,197,888	136,750,000	145,500,000	4,894,870,297	211,500,000	145,500,000	......	5,085,801	378,154,877	57,798,390

▲Of this amount $50,867,363 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Canadian
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,585,730	45,209	20,231,402	81,165,885	320,565	609,244	35,241,461	......	16,542,232	34,970,317	489,615,720	155,888,339	13,213,528	62,295,500
Nova Scotia	457,097	1,017,112	8,928,527	17,026,568	84,247	10,323,375	12,772,643	210	12,139,400	17,678,703	110,725,069	65,982,940	8,965,080	4,023,808
Toronto	329,984	......	5,056,460	9,382,421	27,880	76,986	8,514,478	......	700,594	2,994,979	85,363,719	35,414,431	1,624,450	......
Provinciale	359,224	......	2,795,987	5,766,784	39,600	43,266	2,435,774	40	23,997	978,154	20,906,545	13,591,371	9,907,427	......
Commerce†	1,080,626	182,934	19,987,667	55,648,916	123,058	2,925,569	28,084,053	......	5,124,185	25,075,827	294,675,257	148,214,268	3,974,089	37,484,188
Royal	1,432,568	1,399,299	28,360,956	53,540,353	351,079	33,774,277	47,170,993	1,980	18,523,387	47,405,294	431,106,644	185,930,845	10,293,770	60,166,949
Dominion	347,241	119	3,565,836	11,645,625	50,340	90,034	7,044,605	3,246	1,789,045	5,590,199	72,207,073	28,191,731	1,046,317	776,267
Nationale	768,288	......	7,347,452	11,336,690	77,070	56,125	8,231,715	1,620,588	54,788	1,848,496	61,579,442	38,329,635	13,119,327	17,388
Imperial	400,301	......	6,226,912	14,522,270	75,950	83,999	14,235,835	666,345	1,038,566	3,644,002	85,219,176	35,816,691	5,007,633	......
Barclays (Can.)	8,887	......	211,970	945,414	1,150	2,748	1,025,427	465,688	1,763,718	5,718,220	5,415,160	7,069,241	1,000	48,000
Total	6,769,921	2,644,673	103,713,169	260,982,926	1,150,939	47,985,623	163,756,984	2,658,077	57,709,912	145,904,191	1,656,813,805	714,529,492	67,152,621	164,812,100

NAME OF BANK	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	22,223,573	2,213,747	37,896,190	204,059,122	14,976,915	1,647,473	21,485,705	145,178	179,897	463,731	13,900,000	905,058	1,924,172	1,259,188,751
Nova Scotia	9,712,319	2,301,593	748,805	92,925,536	15,237,826	120,903	2,940,589	322,578	......	79,783	5,517,377	345,917	2,305,173	427,675,210
Toronto	4,411,677	1,048,809	......	54,751,988	......	......	3,092,086	15,243	......	10,539	2,967,110	175,559	63,506	218,160,710
Provinciale	1,280,683	2,802,811	......	13,256,314	......	22,662	2,020,121	30,439	378,768	238,883	2,033,103	106,971	110,787	79,291,729
Commerce†	9,462,878	7,023,650	13,732,016	199,148,553	18,087,037	537,059	8,198,628	926,928	2,001,920	818,351	13,660,734	800,000	4,660,947	925,787,271
Royal	31,148,150	3,206,735	24,475,522	193,617,168	62,989,614	1,296,603	15,212,591	1,193,476	1,354,208	819,756	13,419,611	1,110,000	3,925,652	1,308,037,742
Dominion	2,499,369	989,372	4,160,167	60,741,250	286,651	642,977	1,446,047	131,552	16,573	26,087	5,200,684	184,167	800,779	213,828,022
Nationale	3,941,790	2,893,896	......	41,679,629	......	404,936	3,913,507	146,223	1,358,029	706,776	4,618,946	178,537	349,327	204,882,008
Imperial	573,988	964,016	......	72,645,551	......	19,222	3,631,429	150,933	15,435	150,400	5,404,482	194,756	67,228	253,594,264
Barclays (Can.)	......	142,100	......	3,316,975	......	......	200,000	1,329	......	......	721,724	32,388	4,475	28,101,494
Total	85,254,427	23,586,729	81,012,700	936,142,073	111,578,043	4,691,835	62,140,863	3,063,879	5,304,830	3,314,306	67,443,771	4,033,353	13,612,046	4,913,547,201

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of locally incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement:—Footnote to Canadian Bank of Commerce return.

▲Total assets include $108,667,879 letters of credit outstanding as shown in liabilities.

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Dominion Coal Co. Output Drops Away

April coal production at Dominion Coal Co.'s 10 Cape Breton mines registered a sharp decline from the output of the previous month and from the same period last year.

The April tonnage was 286,542 tons, against 318,425 tons in March and 375,705 in April last year. The drop from March is accounted for largely by the fewer working days.

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LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—British films have not had an easy time in the world market but Brendan Bracken, our shock-headed Minister of Information, has achieved a real commercial success with one. "Desert Victory" the picture of the Eighth Army's onslaught against Rommel and the chase to Tripoli is what the trade would call a "knockout."

For your information there is not one "fake" shot in the whole picture. Greatly to the horror of the Generals and Admirals, Bracken insisted, when taking office, that a large corps of photographers should be recruited and trained for the Army and Navy. A number of them have been killed and captured in action but they have given to history an authentic pictorial record of the mighty Eighth Army's victory.

Churchill has seen the picture many times. Stalin is enormously enthusiastic about it. Eighteen months ago he said that Britain was all right at sea or in the air but she would never be any good on land except in some minor colonial war.

Now the Russian staff officers are studying "Desert Victory" almost like a textbook. In America the film has been such a success that it will gross a large amount of money. It is good news that the North African campaign is also being filmed and Bracken expects another resounding success.

* * *

Prestige Builders

The transformation which Montgomery and Alexander have achieved in Britain's military prestige is almost miraculous. After Crete and Singapore and Burma and Tobruk and the retirement into Egypt, even the British said that we could not produce generals. The critics went further than that. They declared that our army in Egypt was neither one thing nor the other. It had not the revolutionary fervor of the Russians nor the discipline of the aristocrat-officer tradition of former days.

Perfectly naturally the criticism spread to America. We heard over and over again that the Americans would never agree to invading Europe under the command of a British General. The name of MacArthur was sweeping around the world. America could obviously produce Generals.

Then Alexander and Montgomery arrived in the desert. They effected a transformation. They struck at the enemy. But when the combined invasion of North Africa was carried out it was under the command of General Eisenhower with Alexander serving under him.

It is a tribute to both men that their relations are cordial and their mutual respect very deep. Eisenhower found himself in command of brave but utterly inexperienced American troops, and a veteran British Army which had been moulded into a perfect fighting unit and was flushed with victory.

From sheer inexperience the Americans made mistakes but Alexander understood. He too had commanded raw troops at Dunkirk and knew that it takes time to learn the grim game of modern warfare. We owe much to General Alexander. Although senior to Montgomery and responsible for strategy he gives "Monty" all the headlines—and what is more he gives him his head in carrying out the agreed strategy. Then with equal loyalty Alexander places himself under the orders of his senior, General Eisenhower.

Just two more Montgomery stories.

When he took charge of the Eighth Army, he called a conference of senior officers. "Gentlemen," he said, "you have had a lot of experience in this kind of fighting and I have had none. Therefore to save time you will accept my orders without question."

The other is about a very high War Office official. "This fellow Montgomery," he said, "is always making the wildest predictions and then carries them out to the letter."

* * *

Another By-Election

Until his death in the North African fighting, Lieut. Colonel "Flash" Kellett was M.P. for the Aston Division of Birmingham. There is a terrific scramble going on for the seat but the favorites are two young fighting men, Captain Julian Amery, son of the Secretary of State for India, and Wing Commander Max Aitken, the son of Lord Beaverbrook.

Churchill has ruled that when a man is serving abroad he cannot return to offer himself to a local political association. But if he is adopted he may then return and fight the election. Young Amery is on the ground here. Aitken is in North Africa.

I think the choice will rest entirely with Max Aitken. If he says he will come back the nomination is sure to go to him. But will he give up the Air Force for Westminster?

Max has all the good looks of his beautiful Canadian mother but early in life he almost sold his soul to the god of speed. When he was at Cambridge he used to go to Brooklands and race cars under an assumed name. Once he overturned after a swerve when he was going more than a hundred miles an hour.

He joined his father's newspapers but really lived for the weekends, when he could fly in Noel Guinness' crack Territorial Squadron. When the Battle of Britain came the squadron was decimated in its desperate battles and Max became the O.C. A little later, as he was in his middle thirties, he was given an important job at the Air Ministry but his soul refused to be changed. He volunteered for night fighting, was given command of a squadron and became the greatest night fighter of the war. Three times he was decorated for his skill and bravery and the Czechs gave him their V.C.

* * *

Priestley's Utopia

That North Country lad and wag J. B. Priestley gave us a new play this week. It is called "They Came To a City" and is quite beautifully acted. It is really a political tract designed to appeal to the thinking section of the public. Unfortunately it could only appeal to those who feel and cannot think.

It is a bitter attack on capitalism. His financier is crude, offensive and behaves like a rat. It is an old tradition in the theatre that anyone who makes a million must have the mind of a weasel and the soul of a stoat. Unfortunately Priestley goes beyond denunciation. He actually draws a magic picture of a city where capitalists have ceased from troubling, where everyone is healthy and happy with children dancing in the parks and everyone thinking of everyone else.

Priestley takes a group of characters to the city. Then they come out. The Seventh Baronet wants to go back to his club, "a decent place where no one speaks." Lady Loxfield wants to go back to her butler and her dogs. The millionaire wants to go back and make another million. The charwoman and Lady Oxley's daughter stay in the city, the first because she has worked too hard and the second because she has lived too little. And so on.

Priestley gives you a city where there is nothing to worry about. The audience was not impressed. It would prefer London.

New Tax Aid Extended To Mining Companies

Prospecting Act Won't Permit Concessions For Heavy Promotional Expenses — Mining Organizations Must be Registered to Qualify

Substantial aid for prospecting—but no subsidy for fat share selling expenses—is seen as the result of Ottawa's new tax concession bill now past both Commons and Senate.

The new Act continues the right of the individual to deduct from his personal income tax bill 40% of any money invested in prospecting syndicates up to a limit of $5,000 ($500 for each of 10 syndicates) and the concession has been extended to cover the whole field of mining: syndicates, mining companies, mining partnerships, etc.

For mining companies with incomes subject to depletion allowance at 33 1/3%, however, the tax concession is 26 2/3—the equivalent to the 40% for the syndicate less the third for depletion concession.

Mr. Ilsley has laid down the formula that the Dominion will only allow the concession for actual money spent on prospecting (this doesn't include field scouts) and that there shall be no concessions to pay big stock selling expenses.

A ruling allows up to 10% of receipts for administration and advertising expenses but no more if the full 40% tax concession is desired.

In practice, if syndicate stock is sold for say $10,000 but only $5,000 goes in the syndicate treasury and is actually expended on prospecting, the concession is only allowed on the $5,000 put into the ground. Thus the individual will be under the onus of examining syndicates carefully if the full 40% exemption is desired.

Must Be Registered

To qualify for tax concessions, a mining organization must be registered under a provincial authority but doesn't have to be limited. Only after prospecting has been completed and statements have been filed to the satisfaction of the income tax division, can the actual concession be determined. This concession obviously can't be determined at the time of making an investment.

A further point is that no concession is allowed until the money is actually spent on field work—surface searches, trenching, stripping, pitting and diamond drilling. If some money remains unexpended at the end of the year no concession based on it can be secured until after the following year.

The concession as in the previous year is confined to base and strategic minerals. While prospecting for gold is barred as far as the concession is concerned, prospectors are allowed to complete assessment work on older base metal and strategic mineral claims.

Minerals which it is hoped will be sought under the concession are: copper, lead, zinc, iron, nickel, aluminum, asbestos, beryllium, columbium, chromium, fluorspar, Iceland spar, magnesium, manganese, some grades of mica, molybdenum, tantalum, tin, tungsten and vanadium.

No Find Necessary

No impossible conditions have been set on the tax concessions. It isn't necessary to make a find to get the concession. A new syndicate doesn't have to be formed each year to qualify under the concession. The original purchaser can resell all or part of his investment but only the original investor will be eligible for the income tax concession. No allowance, of course, will be made in respect of investment in mining company shares — just those of prospecting syndicates.

With the prospecting season just getting started, it is quite posssible that some of the large mining companies may broaden their programs due to the concession.

Labor Shortage Hits Sherritt

Capacity Increased But Men Not Available For Higher Output

Although its mill had been raised to 3,000 tons capacity by the end of February and its mine had been prepared for greater production, Sherritt Gordon Mines has been unable to utilize extra capacity as a substantial portion of the crew had to return to farming.

So states General Manager Eldon Brown in the company's quarterly report for the three months ended Mar. 31, 1943.

Zinc Output Gains

Tonnage milled, however, was at an all-time high. Zinc output was greater but copper production dropped below normal as a large part of ore came from the high zinc content east mine. Profit before write-offs for the June quarter was $238,627.

Substantial additions to reserves at the Josephine and Ruth properties were made by Michipicoten Iron Mines diamond drilling in the quarter.

A diamond drilling campaign financed jointly by Sherritt and Frobisher Exploration has resulted in the finding of a "very promising" manganiferous iron ore body at Strawhat Lake near Steep Rock.

Foundation Maritime Ltd., subsidiary of Foundation Co. of Canada, has undertaken construction of a plant at Bridgewater, N.S., and the installation of equipment at a cost of approximately $216,000. This plant will be used for the construction of a special type of water craft.

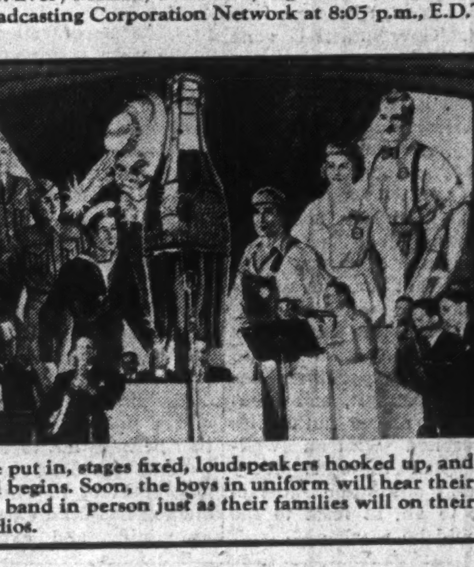
That Extra Something!
..You can spot it every time

"THE Victory Parade with Canada's Spotlight Band," the radio program broadcast from War Camps over the coast-to-coast Network every Monday and Friday night for Coca-Cola, features the nation's favourite band—Mart Kenney and His Western Gentlemen. Their name means something, because this most-travelled band has something extra to offer in the way of popular music. Coca-Cola, too, won distinction by offering folks something extra in refreshment.

In ice-cold Coca-Cola you find quality you count on. You find delicious taste that sets it apart. You find refreshment that goes into energy. Try a Coke—you'll be glad you did every time.

* * *

Tune in to "The Victory Parade Radio Program with Canada's Spotlight Band—Mart Kenney and His Western Gentlemen" playing to the Sailors, Soldiers, Airmen and War-workers in War Camps and War Plants across Canada. Listen to the music our men in service like to hear. Every Monday and Friday night over the Canadian Broadcasting Corporation Network at 8:05 p.m., E.D.T.



Lines are put in, stages fixed, loudspeakers hooked up, and rehearsal begins. Soon, the boys in uniform will hear their favourite band in person just as their families will on their home radios.

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After years of laboratory research, recent Westinghouse fluorescent lighting developments have shown the way to make certain fluorescent crystals glow more brilliantly and give greater amounts of light. Along with this, Westinghouse has devised an improved method of blending and applying these powders. With microscopic accuracy a specially designed machine "paints" a powder film on the inside of the lamp that is precisely the correct density and texture for maximum illumination.

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Above—operator spraying fluorescent film on inside of lamps.

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Always specify Westinghouse Lamps
FOR GREATER SEE-ABILITY

Here is more evidence of Westinghouse leadership..leadership that has taken fluorescent lighting from a laboratory novelty six years ago to the most efficient light ever produced.

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